The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Nanking Sandwiched Between Japan in North and Anti-Japanism in South

ARTICLES IN THIS ISSUE

Troops Mutiny in Tokyo—Three Statesmen Assassinated—Martial Law Declared—Nanking Perturbed

Northern Student Situation and the Communist Charges

Soviets Agree to Border Investigation Commission, But Japan Now Objects

A Breathing Space That Ought to Be Preserved

Murobushi's Further Reply to Dr. Hu Shih

Southwest Demands Rejection of Hirota Program; Hachiro Arita Arrives to Readjust Relations

C.P.C. Adopts Dr. Kung's National Recovery Program

Views of an Expert on a Soviet-Japanese War

(By the Review's Harbin Correspondent)

The "New Life Movement" in Full Swing in China . . . . . By C. Y. W. Meng

Boom Days in China's Northwest Capital . By Haldore E. Hanson

Must Chinese Students Choose Between Red and White? . . . . . By C. Y. Hsieh

Where Japan and Russia Clash in Asia . . By Upton Close

SATURDAY, FEBRUARY 29, 1936 VOLUME 75, NUMBER 13

FORTY CENTS A COPY

CHINESE RAILWAYS

SHANGHAI-PEIPING THROUGH EXPRESS.
(Connected with N.S.L. Nos. 301 & 302)

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
20.45	21.15	▲PUKOW	1.20	1.40
16.54	16.57	LINHUAIKWAN	5.44	5.47
16.04	16.19	PENGPU	6.23	6.38
13.55	14.00	NANHSUCHOW	8.42	8.47
11.41	12.11	HSUCHOWFU	10.35	11.05
9.58	10.10	LINCHENG	12.50	13.05
9.10	9.13	TENGHSIEN	13.57	14.00
7.35	7.50	YENCHOWFU	15.27	15.47
7.12	7.14	CHUFOU	16.12	16.14
5.33	5.43	TAIANFU	18.00	18.15
3.03	3.33	TSINANFU	20.15	20.45
1.41	1.49	YUCHENGHSIEN	22.05	22.15
0.08	0.20	TECHOW	23.55	0.25
22.28	22.36	POTOUCHEN	2.12	2.22
21.29	21.39	TSANCHOW	3.16	3.29
18.30	18.40	TIENTSIN (C)	6.40	6.55
17.59	18.20	TIENTSIN (E)	7.05	7.30
—	15.05	PEIPING	10.24	—

PEIPING-HANKOW RAILWAY.

14.05	PEIPING	22.00
13.27	CHANGSINTIEN	22.48
9.54	PAOTUNG	2.23
5.50	SHIHCHIACHWANG	6.28
2.19	SHUNTEH	10.01
19.27	SINSIANG	16.45
16.43	CHENGCHOW	19.26
13.59	HSUCHOW	22.08
12.16	YENCHENG	23.51
9.58	CHUMATIEN	2.34
6.16	SINYANG	6.01
3.36	KWANGSHUI	8.36
22.45	KIANG AN	13.15
22.30	HANKOW (Tachimen)	13.25

PEIPING-SUIYUAN RAILWAY.

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
9.30	—	HSICHIMEN	—	16.48
8.06	8.16	▲NANKOW	18.07	18.17
—	—	CHINGLUNG-CHIAO	—	—
1.52	2.07	KALGAN	0.30	0.45
19.34	19.49	TATUNG	7.01	7.21
15.48	16.03	PINGTICHUEN	11.04	11.19
10.56	11.16	SUIYUAN	15.42	16.02
—	7.00	PAOTAO	19.58	—

LUNGHAI RAILWAY.

5.15	—	▲HSUCHOWFU	—	21.10
0.57	1.17	SHANKIUHSIEN	1.16	1.56
20.47	21.07	KAIFENG	6.20	7.00
18.40	19.00	CHENGCHOW	8.49	9.09
14.45	15.10	LOYANG E.	12.53	13.23
9.30	9.55	SHANCHOW	18.30	18.55
—	6.10	TUNGKWAN	22.15	—

KIAOTSI RAILWAY.

7.35	—	▲TSINGTAO	—	21.00
5.48	5.50	KIAOCHOW	22.46	22.48
5.06	5.16	KAOMI	23.19	23.30
3.26	3.41	FENGTZU	1.01	1.16
3.03	3.05	WEIHSIEN	1.36	1.39
1.36	1.38	TSINGCHOW	2.55	2.57
28.59	0.01	CHOUTSUN	4.32	4.35
—	22.00	TSINANFU	6.30	—

CHENGTAI RAILWAY.

19.42	—	▲SHIHCHIACHWANG	—	7.58
18.14	18.16	TSINGCHINGHSIEN	9.27	9.29
16.00	16.15	YANGCHUAN	11.47	12.01
14.48	14.50	SHOUYANGHSIEN	13.50	13.52
12.40	12.49	YUCHIHSIEN	15.25	15.35
—	12.08	TAIYUANFU	16.07	—

SHANGHAI-HANGCHOW-NINGPO RAILWAY.

STATIONS UP.		Zku-Nkg Express R. Through	Express R.	STATIONS DOWN.		Express R.	Nkg-Zku Through Express R.
ZAHKOU	d.	8.30	17.25	SHANGHAI, N.	d.	8.35	15.00
HANGCHOW	d.	8.47	17.42	JESSFIELD	d.	8.51	15.16
CHANGAN	d.	9.40	18.43	SICCAWEI	d.	—	—
YEHZAH	d.	10.11	19.14	SHANGHAI, S.	d.	8.40	—
KASHING	d.	10.42	19.45	SUNGKIANG	d.	9.36	15.56
KASHAI	d.	—	20.13	KASHAI	d.	10.23	—
SUNGKIANG	d.	11.45	20.52	KASHING	d.	10.44	16.58
SHANGHAI, S.	a.	—	21.55	YEHZAH	d.	11.18	17.32
SICCAWEI	d.	—	—	CHANGAN	d.	11.46	18.00
JESSFIELD	d.	12.32	21.47	HANGCHOW	d.	12.36	18.50
SHANGHAI, N.	a.	12.45	22.00	ZAHKOU	a.	13.05	19.15

NANKING-SHANGHAI LINE.

STATIONS UP		Express R.	Thro. Exp. Zku-Nkg R.	S'hai-Peiping Thro. Exp. (No. 302) R.S.	Night Express R. S.	STATIONS DOWN		Thro. Exp. R. Nkg-Zku	Express R.	Night Express R. S.	Peip'g-S'hai Thro. Exp. (No. 301) R.S.
SHANGHAI, N.	d.	8.00	13.20	16.00	23.00	NANKING	d.	8.20	17.05	23.00	24.00
SOOCHOW	d.	9.27	14.47	17.51	0.57	CHINKIANG	d.	9.36	18.20	0.49	1.40
WUSIH	d.	10.17	15.36	18.46	1.57	TANYANG	d.	10.18	18.59	1.45	2.33
CHANGCHOW	d.	11.01	16.21	19.39	2.53	CHANGCHOW	d.	11.03	19.44	2.50	3.32
TANYANG	d.	11.51	17.11	20.33	4.13	WUSIH	d.	11.49	20.30	3.52	4.32
CHINKIANG	d.	12.30	17.45	21.18	5.00	SOOCHOW	d.	12.36	21.17	4.55	5.34
NANKING	a.	13.50	19.15	22.50	7.00	SHANGHAI, N.	a.	14.15	22.50	7.00	7.40

NOTICE

1. Children under four years of age are carried free, children under twelve but above four years of age at half fares and children of twelve years of age and over must pay full fares.
2. For Local and Through Traffic, the following free baggage allowances will be granted to each passenger:—

1st class passenger	80 kilogrammes (142 catties)
2nd class passenger	60 Kilogrammes (100.5 catties)
3rd class passenger	40 Kilogrammes (67 catties)

Half of these quantities will be allowed on each child's half ticket of each class respectively.

3. Any weight of baggage in excess of the free allowance will be charged at the rate for the minimum quantity of 20 kilogrammes (33.5 catties) of $0.002 per kilometre per unit of 20 kilogrammes.
4. In case of any holder of Local or Through ticket who abandons his journey en route and desires a refund on the unused portion of his ticket he must apply in person, and produce his ticket for endorsement to the Station Master where the journey is abandoned. Application for refunds must be made as soon as possible after endorsement and must in any case be made within TEN DAYS of the date of expiry of the availability of the ticket which has been endorsed.

密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 75 | Shanghai, China, Saturday, February 29, 1936 | Number 13

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; TRYPHON V. KU, Advertising Dept.; F. K. CHAO, Business Dept.

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCES FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

Northern Student Situation and the Communist Charges 435
A Breathing Space That Ought to Be Preserved... 436
Nanking's Position Between Japanese-Peiping and Anti-Japanese Canton 437

Special Articles

Troops Mutiny in Tokyo—Three Statesmen Assassinated—Martial Law Declared—Nanking Perturbed..... 440
Must Chinese Students Choose Between Red and White?.....By C. Y. Hsieh 441
Southwest Demands Rejection of Hirota Program; Hachiro Arita Arrives to Readjust Relations ... 442
Views of an Expert on a Soviet-Japanese War ... 446
Murobushi's Further Reply to Dr. Hu Shih..... 448
The "New Life Movement" in Full Swing in China.....By C. Y. W. Meng 450
Soviets Agree to Border Investigation Commission, But Japan Now Objects..... 452
C. P. C. Adopts Dr. Kung's National Recovery Program 460
Where Japan and Russia Clash in Asia..... ..... By Upton Close 462
Who's Who in China..... 465
Men and Events 466
Boom Days in China's Northwest Capital ..... By Haldore E. Hanson 469
New Books of Interest in the Far East..... 470

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS." COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

NORTHERN STUDENT SITUATION AND THE COMMUNIST CHARGES

IT is unfortunate that the Student Movement in North China, essentially a patriotic demonstration against alien aggression and political domination of Chinese territory, should be condemned wholesale because of the actions of a few who have tried to turn the movement into red channels. To condemn the student movement in the North as completely red-inspired is about as logical today as were the charges in 1926-1927 that the entire Nationalist movement was directed by Trotsky from Moscow. There are, obviously, red elements among the students in the North, just as there were red elements in the Nationalist movement in Central and South China eight or nine years ago but when the reds and anti-reds had a show-down those opposed to communism won out. The same would be true in North China today if there was any way of separating the two groups. But to condemn the entire student movement as communist inspired is merely playing into the hands of the Japanese who are seeking for an excuse to occupy more Chinese territory under the guise of an "anti-red" campaign. Another danger involved in calling all student demonstators "reds" is that by constantly labeling genuine patriots as reds, there is a possibility that they may actually adopt the red cause in desperation as the only means of national salvation. This apparently must have been an important element in the recent political complications in Spain because late news reports have referred to 30,000 persons being confined in the jails of the country on charges involving comunism. The new leftist regime brought in as a result of the recent election is demanding the release of these prisoners.

The Chinese students themselves should solve this charge of red domination of their movement by adopting a 100-percent patriotic platform for the salvation of China that would not involve cooperation with any alien group. This statement is made because a recent 10-point program attributed to the Peiping Students' Union contained many of the terms referring to "oppressed peoples," "arming of the masses," "cooperation with the U. S. S. R. against Japanese imperialism,"

etc., which have been a familiar, if not nauseating, element in the propaganda of the Third International for many years. If the Peiping Students' Union actually adopted a program urging cooperation with the U. S. S. R. against Japan, it was inviting retaliation not only on the part of the Japanese but also by influential Chinese elements both in the North and South which honestly believe that China has as much to fear from Moscow as from Tokyo. Then there is the further element of Japanese military pressure forcing the Chinese puppets in the North as well as the Nanking Government to adopt suppression measures. The Japanese military inspiration behind the suppression movement was clearly indicated in the *Reuter* report from Peiping which was published in Shanghai on Feb. 25 showing that the Kwantung army had sent a telegram to Gen. Chin Teh-chun, Mayor of Peiping and Gen. Chen Chi-yen, Director of Public Safety in the same city, "inquiring about the communist situation and offering the help of the Japanese military forces in suppression activities." The message was conveyed to the high Chinese officials by the head of the Japanese consular police in Peiping. The Chinese officials declared their ability to suppress the students without the cooperation of the Japanese army, but the offer of Japanese military help had its obvious effect on the attitude of Chinese officialdom toward student activities.

The determination of the Japanese warlords, now in almost complete political control of North China, to dominate and, possibly, completely destroy the extensive Chinese-American educational structure in North China, now appears obvious. The subject was discussed fully in last week's issue of *The Review;* hence it is unnecessary to repeat here. Whether the school authorities decide to remain in Peiping and fight it out or withdraw to the interior and thereby postpone the ultmate conflict is not of as much importance as the fundamental issue of keeping the Student Movement clear of entanglement with alien, particularly Comintern groups abroad. That Japan and Russia are preparing for a war over Chinese territories is obvious to all and particularly to the Chinese people whose lands are involved. Since China is not sufficiently strong to protect herself, her natural course should be to maintain strict neutrality in the hope of final and more favorable adjustment in the future. For Chinese students the neutrality course should be particularly clear because any other route will lead to early disaster.

That the students are not the only ones who are feeling Japanese persecution on the score of "communism" was indicated in a recent *Reuter* report stating that seven members of the China Travelling Theatrical Troupe were taken into custody by the Peiping police. Those arrested were: Miss Tang Yo-ching, Chiang Ming, Li Ching-lin, Chiang Pao-shuan, Tai Kin, Chang Shih-chin and one other. The troupe was organized by Tang Huai-chiu, father of Miss Tang Yo-ching, who is now in Nanking and whose arrest has been ordered by the authorities. According to "reliable" information, those in custody, with the exception of Miss Tang Yo-ching and two others, were connected with a movement to induce workers and students to create trouble in Peiping. Tao Kin, whose habit is to disguise himself in different roles and who allegedly had been seen working among the Government Printing Bureau workers, was suspected as directing the communistic organization. Chiang Ming and Chiang Pao-shuan who were formerly students in Peiping were charged with the task of inducing students to go on strike in connection with the demonstrations against the Japanese.

A BREATHING SPACE THAT OUGHT TO BE PRESERVED

IN New York City, Trinity Church with its imposing spire stands at the foot of Wall Street, and although the land which surrounds it is used as a graveyard, that bit of breathing space in the region of Mammon becomes a haven of rest to many during the noon hour. No suggestion has ever been made to have that bit of property sold and any move in that direction would raise a howl among the New York public, sordid as it usually is. In Shanghai, Trinity Cathedral is bounded on one side by the street which here corresponds to Wall Street in New York, namely Foochow Road. The lawn, and this is particularly noticeable in the summer time, is the only breathing spot in the center of the commercial and financial district of Shanghai. The founders of Trinity Church in New York showed great foresight and wisdom, not unlike that shown by the French Roman Catholics in Shanghai. They foresaw that investments in real estate would furnish the funds to guarantee the continued existence of their religious organization. The trustees and members of the Trinity Cathedral in Shanghai showed no such foresight, and it seems that the late Henry Lester, whose wonderfully well-drawn-up will has provided funds for various excellent institutions, did not foresee the possibility that the site of the Cathedral (of whose church he was a prominent member) would some day be endangered for lack of funds. Undoubtedly, had he foreseen such a possibility, he would have provided them. But as things have turned out the Cathedral community is badly off financially—so bad that a plan is on foot to sell the lawn—and undoubtedly it will be sold in the near future. From the point of view of the Shanghai public, foreign or Chinese, it will be of little importance whether this bit of breathing space in the midst of Shangha's business district is owned by the Cathedral or by some one else so long as it is preserved as an open space. The logical purchaser for this spot would be the Shanghai Municipal Council, as it is in the block adjoining the present Municipal buildngs. But this suggestion is only made with the hope that this open space may be preserved as an open space. If the area is to be built up it really is a matter of indifference to the public as to who becomes the purchaser.

Nanking's Position Between Japanese-Peiping and Anti-Japanese Canton

HU HAN-MIN, who was elected Chairman of the Standing Committee of the Kuomintang's Central Executive Committee, highest position in the Party, whose return from Europe a few weeks ago aroused so much enthusiasm in political circles throughout the country, has not continued his trip to the National Capital. On various occasions it has been announced that Mr. Hu's health would not stand the rigors of Nanking's climate, hence he was remaining in Canton for the present. But the official *Central Press* from Canton (Feb. 15) contained more definite information. Quoting from an address delivered by Mr. Hu before some 400 representatives of public organization in South China, the report admitted that Mr. Hu's six months' trip to Europe had not effected a complete cure of his ailment (Mr. Hu is nearly 60), but there apparently was a more fundamental reason for Hu's delay as indicated in the following direct quotation from his address:

"With regard to my assuming state duties in Nanking, I have yet to be assured that my policies could be carried out before I would take the trip north. The policies of national salvation should not be likened unto empty phrases; once uttered, the statesman must seek channels to put them into effect. In my opinion, the national policies in past years have all been erroneous . . . the policies concerning foreign affairs, military and financial administration, etc., were all blunders which brought disastrous consequences to the nation. Woe unto woe has been added as the years progressed and the people are now groaning under the pressure of maladministration and foreign encroachment. That my words are not false accusations can be discerned from the facts that daily parade before us. Now may I reiterate that, so far as I personally am concerned, I have put personal welfare out of my mind; I am standing by the principles that I have uttered. . . . I shall remain inexorible. . . . I demand nothing from the comrades of the Party, the Southwest or the People, so far as my personal welfare is concerned. But I am in urgent need of time for the salvation of the nation. My only hope is that all of them will rise up and weather the nation thrrough its present travail. . . ."

Late last year, about the time Hu Han-min departed from Europe on his return trip to China, his adherents in Canton issued in his name a little pamphlet outlining Hu's program. The platform contained eight points: (1) Dissolution of the bogus Manchukuo regime and return of the four northeastern provinces to China; (2) Open Door shall continue to be guiding principle in development of Manchuria; (3) Japan's forcible establishment of economic enterprises beyond the scope of the treaties shall be settled and administered by a joint Sino-Japanese Commission; (4) Customs and salt revenues of Manchuria provinces shall continue to be an integral part of the Chinese Martime Customs and Salt Gabelle and a portion shall continue to be earmarked for repayment of foreign loans in corformity with previous procedure; (5) China's joint ownership if the Chinese Eastern Railway remains a fait accompli notwithstanding Russia's illegal sale of the railway to Japan, as the stipulations of the Sino-Russian agreement of 1924 are still binding; (6) Japan must abandon her designs on China's territory and all special privileges must be stripped of their political implicatons and become purely commercial in nature; (7) Soviet Russia must stop all her attempts at Sovietizing China and also abandon all territorial designs; (8) Soviet Russia must dissolve the puppet regime in Outer-Mongolia and abolish all restrictions in Outer-Monoglia and Sinkiang having for their object the exclusion of others.

'Open Door'—Japanese Style

—*Moscow News*

A few days following Hu's declaration of the foregoing principles, Chancellor Chow Lu of the National Chungshan University at Canton, also issued a declaration of policy: (1) China must offer strong resistence and cease being a laughing stock of the Japanese; (2) China must preserve her internal unity and national solidarity and not become a victim of Japanese tactics; (3) China must offer resistence and prove to other nations that the country is worthy of international respect.

While real power in South China, as elsewhere in the country, is exercised by the military officials, particularly Gen. Chen Chi-tang in

Kwangtung and Generals Li Tsung-jen and Li Chi-sum in Kwangsi, this doesn't mean that the declarations of Hu Han-min and Chow Lu were not significant. The declarations of policy were significant, which probably explains why neither is in Nanking performing the functions of offices to which they were elected at the last plenary session of the party last summer. The presence of Hu Han-min in Nanking at the present probably would be the signal for a drastic Japanese attack somewhere, possibly the actual occupation of the National Capital itself.

⁂

WE transfer our attention to North China, where, aside from the puppet state of Manchukuo, the Japanese military authorities operate a "three-ring-circus" type of administration consisting of three so-called autonomous governments, one in northern Hopei within the so-called Demilitarized Zone, another in Inner-Monoglia and a third in the former capital at Peiping. In two of these "governments," the East-Hopei Anti-Communist Autonomous regime and the Mongolian Autonomist Council, the authority of China has practically been eliminated as it has been in Manchuria since the Japanese occupation in the fall of 1931. In the Hopei-Chahar Political Council the political and financial authority of Nanking has practically been elminated and while Nationalist officials still function in some of the railway administrations, the postal and telegraph offices, all others have been eliminated in favor of appointees dictated by the Japanese Kwantung army. Japanese advisers are rapidly being appointed to influential positions throughout the administrations, the highest being Major-General Kenji Doihara, until recently head of the Special Service Department of the Kwantung Army. Both Nanking and the Hopei-Chahar Council have denied the appointment of Doihara to a high post at Peiping, but the Tokyo General Staff made the announcement several weeks ago when Doihara was promoted to the high rank of Lieutenant-General, in commemoration of his service to Japan in the creation of the puppet state of Manchukuo, installation of Pu-Yi as "Emperor," and more recently the creation of the East Hopei administration. The Japanese military authorities have already obtained authority for greatly increasing their garrison forces in the North and a recent report in the *Shun Pao* stated that the Japanese naval authorities are planning the early creation of a station and base at Tangku, entrance to the river leading to Tientsin. Japanese military officers, using Japanese military planes, fly at will over North China, visiting and negotiating directly with Chinese officials. Permanent Japanese military missions are stationed at various points in Mongolia, at Kalgan and at Pankiang where the Mongol leader Teh Wang has his headquarters, at Kweihwa, capital of Suiyuan and at Teiyuan, capital of Shansi. The two most important railways of the north, the Peipin-Mukden and Peiping-Suiyuan lines have practically been taken over by the Japanese and according to report are shortly to be "managed" by the Japanese government-controlled and operated South Manchuria line which took over and operates all of the former Chinese-owned railways in Manchuria. The S. M. R. operates a so-called "economic inquiry office" in Peiping which sends out experts who investigate opporunities for economic exploitation. A further organization, known as "Kuo-chu Kung-ssu" owned jointly by the Manchukuo government, South Manchuria Railway and Japan's leading financiers, has opened an office in Tientsin and will be concerned with "directing" Japanese investments in agricultural, mineral, industrial and transportation-commication enterprises. It is said to possess a charter similar to that issued by Great Britain to the old East India Company, enabling "Kuo-chu Kung-ssu" to perform for Japan what the old British monopoly did for England in bringing India into the Imperial Empire.

In the East Hopei zone administration Japanese control has advanced to the point where each hsien or county magistrate has a Japanese adviser and all of the Chinese primary schools are now using texts supplied by a so-called Sino-Japanese Cultural Bureau of Hsinking, capital of Manchukuo. In the autonomous area in Inner-Mongolia, Manchukuo currency has practically displaced Chinese money. In Peiping a few days ago the Kwantung army authorities offered their assistance to the Chinese authorities in the suppression of "communist" activities, said communist activities being student demonstrations against Japanese aggression, thus disclosing the real inspiration behind both Peiping's and Nanking's recent regulations outlawing the recently-formed Peiping-Tientsin Students' Union on the grounds of communist-inspiration.

A few weeks ago, Gen. Doihara, "High-Adviser" to the Hopei-Chahar Political Council, declared in the course of an interview with foreign newspaper correspondents that the Yellow River would be only a temporary halting-place for the extension of Japanese influence; that ultimately all China would succumb to Imperial Japan!

⁂

WITHOUT regard to recent developments in Tokyo which must inevitably affect the situation at Nanking, Japanese diplomatic and military officials rercently have been referring to the present National Government in Nanking as the "last act in the drama." The reference was to Gen. Chiang Kai shek's decision to assume personal responsibility for developments as the actual head of the Government instead of trying to direct affairs from Szechuen or some other point in the distant interior. But while Gen. Chiang has been in a position of responsibility at Nanking for several weeks there has been no improvement in Sino-Japanese relations despite Nanking's offer to participate in a conference for the discussion and solution of the troubles between the two nations. Some believe that in recent weeks there has been growing evidence of Nanking's intention to resist, by force of arms, in the event there are no deve-

lopments elsewhere to divert the Japanese Army's attention from its long policy of aggression at China's expense.

Aside from the issue whether or not the National Government has any definite plan of resisting Japanese aggression, long a subject of controversy in both Chinese and foreign circles, it is obvious that Nanking's energies for many months have been concentrated upon the reconstruction of the country, militarily, economically, and financially to a point where resistance might be effective. Of vital importance has been Nanking's drive to complete the Canton-Hankow Railway, scheduled for official opening of through transportation from the Yangtsze Valley to Canton early in the coming May. That the opening of this 740-mile railway will mark a new epoch in the destiny of China is obvious for it will bring Canton and the Yangtsze Valley and North China into intimate contact making necessary the adjustment of political and economic problems long outstanding. Whether the coming into direct contact of Nanking and Canton in the minor problems of railway management and division of revenues will result in peace or further complications remains to be seen. Internationally the completion of the railway is likely to precipitate complications in unexpected places, one recent report stating that the Cantonese were still violently opposed to a suggestion by Sir Frederick Leith-Ross, British economic expert that the Canton end of the Canton-Hankow railway be linked up with the Canton-Kowloon railway connecting the southern Chinese metropolis with the British military-economic base at Hongkong. This has long been a subject of controversy in the South due to a Chinese fear that Hongkong would attempt to take advantage of the completion of the railway to sidetrack Canton. Canton's intention to develop its own seaport is also well known.

Then there is the added complication with Japan due to recent Japanese charges that Nanking's desire to complete the railway to Canton is due to plans to circumvent a Japanese blockade of Chinese Central and Northern ports. The Japanese realize that completion of the rail link with Canton plus the connection with Shanghai would largely neutralize a Japanese blockade and would also enable the Central and Northern Chinese to draw upon the South for men and materials in the event of open war.

Nanking's policies are naturally dominated by the Government's position between Japanese-dominated Peiping and anti-Japanese Canton with a serious communist menace on the western and northwestern borders. Generally speaking Nanking policy is based on the expectation of an early war between Japan and the Soviet Union in which conflict the Chinese Government would attempt, so far as it was able, to maintain strict neutrality. But none of Nanking's leaders have any illustions regarding China's precarious position in the event of such a struggle with the actual conflict taking place on Chinese territory and involving the destiny of North China along with that of Mongolia and Manchuria. Most Chinese realize that China has little to gain from such a struggle; that its outbreak probably would mark Japan's actual seizure of North China and that the victor, in all probability, would hold its gains with little likelihood of adverse action by the powers afterward such as occurred following the first Russo-Japanese war when Britain, France and Germany intervened to force Japan out of South Manchuria.

The Chinese authorities at Nanking, obviously are hoping and bidding for support, but since there is little likelihood of any nation extending assistance at this stage, National policy must follow the line of watchful waiting while gradually strengthening its position for an ultimate test of strength with its major enemy, Imperial Japan. In the meantime the officials are concerned primarily with keeping the Government in operation as a going concern, hoping in the meantime that there may be a turn in the international situation which would be favorable to China. Intelligent leaders realize that in the event of open war with Japan the advantage at the beginning will be with Japan which nation will vent its hatred and war-madness upon the accessible China coast and Yangtsze cities. This will mean a disruption of organized governmental and commercial-financial institutions and possibly degeneration of the struggle into a long-drawn-out guerilla warfare in which the advantage would ultimately be China's, but in the meantime every effort will be made, in fact is being made to maintain and strengthen the Government's position and the unity of the country for the supreme test which all believe must come ultimately. Of special interest in this connection was the drafting of a 12-point program for the defense of North China against Japanese aggression by Marshal Feng Yu-hsiang, Vice-Chairman of the Military Affairs Commission. The Japanese in some manner obtained a copy of Marshal Feng's report and immediately made the usual threats of retaliation.

Has Kwang-Hwa Petroleum Sold Out to Foreign Oil Companies?

According to a report in the Japanese paper *Shanghai Mainichi* on Feb. 26 Hsu Shi-ying, chairman of the board of Kwang-Hwa Petroleum Company, large Chinese concern, has approved the sale of the Company's properties to the foreign oil companies, Standard-Vacuum, Texas and Asiatic Petroleum. Hsu Shi-ying recently was appointed Ambassador to Tokyo and will depart shortly for his post. An account published in *The Review* on Feb. 22 stated that Standard Oil of New Jersey, affiliate of Standard-Vacuum, was negotiating for the purchase of the entire foreign oil export of the Soviet Union, which, based on last year's output amounted to 3,500,000 tons, but which in 1932 amounted to more than 6,000,000 tons. According to the report in last week's issue it was stated that in the event the deal went through, Standard of Jersey would apportion its purchases of Soviet oil to the other international distributors.

As the Soviet Petroleum Trust previously was an important factor in China's market, the sale of all Soviet oil to Standard of Jersey would prove a death blow to the Chinese Kwang-Hwa Company which was organized for the purpose of handling Russian oil. The Chinese company has large installations at Shanghai, Tientsin and elsewhere in China. While all foreign oil companies refused to comment on the reports, the foregoing from the Japanese paper indicated that Standard's purchase of Soviet oil may have also included the purchase of the Kwang-Hwa interests here by the foreign companies. One report current last week was that the Asiatic Petroleum Company had purchased Kwang-Hwa for $5,000,000, Chinese currency, outbidding a Standard bid of $4,500,000, but this could not be confirmed.

Troops Mutiny in Tokyo—Three Statesmen Assassinated—Martial Law Declared—Nanking Peturbed

Martial law was declared throughout Japan Feb. 26 and strict censorship imposed on all cable and radio messages, but enough leaked through to show that Japan is on the brink of civil war—or in the alternative a military dictatorship.

The trouble started at dawn when 3,000 men, comprising the 3rd Infantry Regiment of the First Division stationed in Tokyo, seized the office of the Cabinet and the Home Office, the residences of the Prime Minister, Admiral Okada, and the Minister of the Interior, Fumio Goto, and the headquarters of the Metropolitan Police, after overcoming the resistance of sentries. Units of the Imperial Guard division were ordered to evict the rebels.

A pronouncement of the rebels stated they were led to take the step "for the purpose of defending and emancipating the nation by removing the sources of evil, such as the elder statesmen, important officials, financial and military cliques, bureaucrats, political parties and others, which are leading the nation to decay."

Japan's Premier, Admiral K. Okada; General J. Watanabe, Inspector-General of Military Education; ex-Premier Admiral Viscount Saito, (now Law Keeper of the Seal) were assassinated. K. Takahashi, the 82-year-old Minister of Finance and Admiral K. Suzuki, the Grand Chamberlain, were wounded while Count N. Makino, former Lord Keeper of the Privy Seal, is missing. Fumio Goto, Minister of the Interior, has been appointed Acting Premier.

The First Division had recently been ordered to Manchuria, and had been issued ball cartridges instead of the blanks supplied for home service. According to Chinese reports, the coup was engineered by the younger army officers, and this was later confirmed from other sources.

Trading was suspended on the Osaka and Tokyo Stock Exchanges.

The present outbreak is a development of the "God Sent Troops" affair of a year and-a-half ago and of the present trial of Lieut.-Col Aizawa, the assassin of General Nagata, before the Martial Court of the First Division in Tokyo, one of the features of which was that counsel for the defense,a lieutenant-Colonal, read to the judges a long letter written in blood in which a young reserve officer warned the court against punishment of his patriotic comrade.

A state of emergency was declared in the Tokyo area at 3 o'clock in the afternoon. According to an official announcement issued by the Military Headquarters, the measure was "a precaution intended to maintain peace and order and to guard important public establishments by military force."

The first official announcement concerning the coup reached Shanghai in the afternoon in a message from Singapore, which quoted a Japanese Foreign Office statement issued there.

A communique by the Japanese Embassy in Moscow late Feb. 26 stated that loyal troops had surrounded and arrested the assassins.

The occupation of various government buildings,including the War Office, appears to have met with little resistance, but some reports stated that it was followed by outbreaks of rioting and incendiarism.

Mr. Takahashi was a firm opponent of bigger military budgets. Mr. Takahashi had been consistently supported by the Japanese business and financial world in his stand against unlimited inflation to finance a program of "radical" expenditure. Recently, the younger element in military circles identified with extreme Rightist and Fascist organizations had become increasingly active in their opposition to Mr. Takahashi's conservative policies.

With the exception of Count Makino, who was assaulted at the Itoya Hotel at Yugawara, hot-springs resort about three hours by train from Tokyo, the attacks all took place in the official or private residences of the officials in Tokyo.

The premises of Tokyo *Asahi*, a leading daily known for its liberal tendencies, were also attacked.

The First and Second Fleets have been ordered respectively to Tokyo and Osaka Bays "for policing purposes," the Navy Ministry announced. The defence squadron of the Yokosuka Naval Base was ordered to Tokyo.

Vice-Admiral Oikawa, Commander-in-Chief of the Japanese Third Fleet stationed in China waters, cancelled sailing orders for his flagship, the cruiser *Idzumo*, which was to leave for a cruise to North China today.

A spokesman of the Japanese Embassy to China at night denied that the disturbances were of "a revolutionary nature." "There is no danger of the movement spreading," he further asserted emphasizing that the revolt "in no way" could affect Japan's "national stability."

League circles in Geneva are considerably agitated over the military rebellion in Tokyo, which they fear may result in serious repercussions upsetting the peace of the Far East.

Diplomatic and political circles in Moscow express considerable concern over the eventual coming to power of the military party in Tokyo. They emphasize that such a Government would strengthen the anti-Soviet policy of Japan and would bring about the failure of the Stomoniakov-Ohta conversations which are attempting to solve the Manchukuo-Outer Mongolia border disputes.

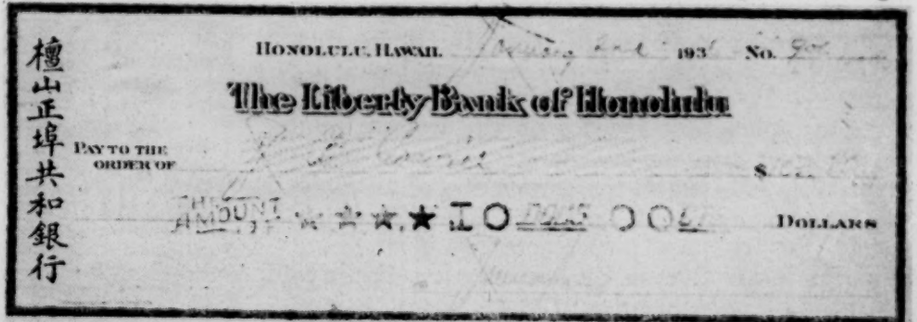
Lieut. Gen. Kashii, martial law commander, issued a proclamation Feb. 27 to the effect that the administration and the conduct of judicial affairs would be taken over by the military.

Nanking Is Perturbed

Chinese circles in Nanking are deeply perturbed by the military coup in Tokyo. The coup in the Japanese capital is generally interpreted by Chinese circles as an open struggle between civilian and military groups for control of the Government, and will, it is believed, have a far-reaching effect on future relations between China and Japan.

Who Knows a Needy Family Which Fulfills These Conditions?

JAMES Y. Lau, a reader of *The Review* residing in Honolulu, is the donor of a check for $10 in U.S. currency (equivalent to $32 Chinese money) which he desires to give to some needy Chinese family. He stated in his letter that he would prefer giving the check to some family with daughters or girls predominating in the house or to a widow with children. Mr. Lau also stated that he intended to make the contribution annually in future, "providing nothing adverse happens to me in a financial way." Mr. Lau also stated that he, in company with some other residents of Honolulu, was contemplating the support of a Chinese girl in a mission school or in a school where nursing or hospital work is taught, the requirement being that that the girl must promise to devote her life to hospital or charitable work. *The Review* would be interested in hearing from some of its readers in China regarding candidates for the $10 check and also regarding a Chinese girl who might be interested in the proposal to have her tuition paid in a mission school or school where nursing or hospital work is taught.



Must Chinese Students Choose Between Red and White?

BY C. Y. HSIEH

HISTORY teaches by contrasts as well as by parallelisms. One example of this may be found in the connection between a state's internal situation and its external relations. When the government of a politically and militarily powerful state finds itself hopelessly deadlocked in its domestic politics, it often takes a chance by embarking on a foreign adventure as a way out. The result may be success and, with it, a new lease of life for the regime; or the attempt may end in a fiasco and the downfall of the government in power. Instances there are a-plenty of which Mussolini's Ethiopian campaign is the latest and perhaps the most glaring one. Curiously enough, the exact reverse of this causal relationship is also true. That is to say, the government of a politically and militarily weak state faces the danger of a domestic crisis once it becomes deeply embarrassed by an impasse in its foreign relations. And the outcome here may be a costly salvation or a total disaster. This is distinctly the situation confronting China to-day where the recrudescence of student agitation and popular movement came as a reaction to the country's diplomatic setbacks.

It may be recalled that the North China crisis last December was the spark which set youthful patriotism aflame for the first time in many years. From Peiping, the erstwhile cradle of student movement, again came the clarion call which was quickly responded to in many parts of the country. Although the revival was marred by scattered acts of rashness, as a whole it did justice to its mission which was to keep the light of national will to existence burning. Cynics may scoff at what they regard as ephemeral outbursts of raw youth, but anyone who is in the least acquainted with China's recent history will see the essential strength of a movement which has shaken more than one government in order to save the day for the young republic.

It was obviously in recognition of this strength that last month General Chiang Kai-shek, President of the Executive Yuan, called a conference of student representatives and educational leaders at Nanking. With exact details of the proceedings lacking, it is not easy to assess the significance of this gathering. But if subsequent events are any indication, the writer is inclined to see in it nothing but a failure. To him the sham of apparently heeding to popular wishes while really stifling them with handsome sops is not a new thing. As recently as 1932 a similar and even more august meeting—the so-called National Emergency Conference—was held at Loyang to which leaders in all other walks of life as well as in government were invited. Its result? Immaterial, to put it mildly. Characteristic of the public opinion of that time was the criticism that the Government called on the people to share the responsibility for national disaster without, however, giving them due voice in the shaping of state policies. Although General Chiang in 1936 is a somewhat changed leader from General Chiang in 1932 and although the Government to-day has striven to become more or less a responsible one, the same mixture of dread and distrust of popular movement exists which sought apparently to placate, but really to suppress it. Hence the same mockery. It may thus be said of the recent conference as of its prototype that the delegates were summoned in the most solemn manner, entertained with the greatest civility, impressed with the most favorable aspects of the Generalissimo's personality and of the Government, and finally sent home with effusive thankfulness for having met the nation's strong man and other outstanding leaders. These are all to the good, and as a show cannot be excelled. Why, indeed, should the delegates bother about their mission—a mission which is now no nearer fulfilment than when they started for the Capital? Little wonder that the more critical souls should feel disillusioned and embittered by the whole procedure. And from this disgust it is but a natural step to denunciations and agitations which have come back with a vengeance.

Take, for instance, the recent verbal battle between the Publicity Committee of the Central Kuomintang and the Shanghai National Salvation Association. The party organ in a long manifesto made the charge that the local patriotic body has become the catspaw of a few unscrupulous communists who have ulterior axes to grind. To this the Association countered with a manifesto in which after expressing its regret at the stand the Publicity Committee has taken, it advised the latter to check the real menace of one imperialism but to stop raising false alarms about the illusory danger from another. Meanwhile, troubles on the student front took a serious turn in Peiping where the Student Union was charged by a certain Professor Yang with harboring communist gold and brains. The ominous aspect of things up in the North is that the Government may try to cut the Gordian knot at any time by using force.

For to employ force would be to give the communists the very weapon for manipulating group actions which reasoned suasion would no doubt deny them. The fact that there are Reds in the student movement may be readily conceded. They alone, however, would not create a serious problem. The real problem lies rather in the fact that there are to every communist ten or more radical-minded young men or women who generally bring to their political thinking no prejudices whatsoever, but who would not hesitate to take any course and go to any lengths for the sake of their country. Such a group it is the business of the Government to guide along proper channels, to give heed to their legitimate claims and to make them an asset instead of a liability to the prosecution of national policies. The most effective way of doing so is to show them, by deed and not by mere promise, the Government's determination to make the supreme sacrifice in the event of further foreign aggression.

But to fail in this and to suppress all popular movements rigorously is the sure way to multiply the ranks of the communists. I said that the mind of most young radicals is an open one which has no prepossession for or against any particular "-ism". I said this without prejudice to the all too obvious fact that the U.S.S.R. of 1936 holds a much stronger international position and commands more dignity and respect than, say, ten or even five years ago. If Nanking continues to pursue a policy of surrender vis-a-vis Japan at the same time that it crushes down all opposition and protest with the stigma of communism—in other words, if the Chinese youth is forced to choose between the so-called red and white imperialism, between Soviet intervention and Japanese aggression, between Moscow and Tokyo, there can be no doubt as to what its choice would be.

Leith-Ross Discusses "Loop" Railway at Canton, But Local Leaders Oppose

Sir Frederick Leith-Ross, Chief Economic Adviser to the British Government, after conferring with Southwest leaders at Canton on economic and currency problems for four days, proceeded to Hongkong Feb. 21. Interviewed by *Reuter* prior to his departure, Sir Frederick said he had greatly enjoyed his visit to Canton. He emphasized, however, that his mission had merely been one of investigation and had no political significance. Questioned concerning trade in South China, he expressed the opinion that, although exports had increased lately, the general position was not as prosperous as it should be, there being too many impediments in the way of trade which the authorities should seek to remove.

Among the questions he had discussed with Canton leaders was a "loop line" linking the Canton-Hankow and Canton-Kowloon Railways, which, in his opinion, would make both lines more profitable and, in the long run, increase the prosperity of Canton which depended on the prosperity and development of the interior. What was needed at the present time, Sir Frederick added, was cheap and rapid transportation of goods.

A Chinese news agency in Canton quoted the official spokesman as declaring that the Canton authorities were not prepared to consider the proposal for the construction of a loop line connecting the Canton-Hankow and Canton-Kowloon Railways. The spokesman is said to have stated that, in his opinion, such a line would facilitate the inflow of foreign goods into the interior, which would do tremendous economic harm to South China.

Various press reports on the alleged existence of a secret accord between Germany and Japan were emphatically denied in Paris, Feb. 21, by N. Sato, Japanese Ambassador to Paris, at a meeting with the French Foreign Minister, M. Pierre-Etienne Flandin. In the course of the interview, Mr. Sato declared that, contrary to reports, no negotiations have taken place between the Japanese Government and Sir Frederick Leith-Ross during the latter's visit to Tokyo on the subject of a monetary reform in North China, whereby the dollar would be hitched to the yen.

The official Canton *Shih Min Erh Pao*, in the course of an editorial article, expressed the hope that the work of Sir Frederick Leith-Ross might result not only in a unified currency for China, but also in concrete plans for bringing recovery to Sino-British trade in South China, which has suffered a sharp decline and is likely to shrink still further on account of increased Japanese dumping.

Leith-Ross Calls on Hu Han-min in Canton

Sir Frederick called on Hu Han-min, veteran Party leader and new Chairman of the Standing Committee of the Central Executive Committee, Feb. 22 and was the guest of honor at a tiffin given by the Southwestern Political Affairs Committee. He attended a banquet extended to him by the Canton City Chamber of Commerce and the Canton Bankers' Association in the evening.

Japanese Intentions in South China Are Queried

Considerable interest and speculation has been aroused in Chinese circles in Canton concerning Japanese intentions in South China as a result of the frequent visits of high Japanese officials to Canton and Nanning. Rear-Admiral Kenji Hosokaya, commander of Fifth Destroyer Squadron, arrived there Feb. 25, while it is understood that another Japanese general would arrived shortly.

Southwest Demands Rejection of Hirota Program; Hachiro Arita Arrives to Readjust Relations

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Arita Sees Necessity of Putting Sino-Japanese Relations on Firm Footing.**
2. **Kozuki Will Replace Tada as Commander of Japanese North China Garrison.**
3. **Tada Denies Doihara Authorized to Represent Kwantung Army in North China Parleys.**
4. **Major Sino-Japanese Issues in North China to Be Referred to Nanking.**
5. **Mongolian Troops of Teh Wang Stage Mutiny in Pailingmiao.**
6. **Southwest Leaders Demand Nanking's Rejection of Hirota's 3-Point Program.**
7. **Hu Han-min Insists on Acceptance of His Policies Before Going to Nanking.**
8. **Hsiao Fu-cheng Declares No Southern Emissaries Were Sent to North.**
9. **Wang Ching-wei Leaves China for Europe to Recuperate.**

Hachiro Arita, the new Japanese Ambassador to China, accompanied by Mrs. Arita and Major-General R. Isogai, the Japanese Military Attache, and H. Horiuchi, First Secretary of Japanese Embassy, arrived at Shanghai from Japan Feb. 26 aboard the *s.s. Asama Maru*. The new Japanese envoy will remain in Shanghai for a few days, during which he will arrange for a conference with Hsu Shih-ying, the new Chinese Ambassador to Japan. According to tentative plans, Mr. Arita was scheduled to leave for Nanking Feb. 29 to present his credentials to Chairman Lin Sen of the National Government on March 1. In a lengthy statement issued upon his arrival, Mr. Arita stressed the "abolute necessity of putting Sino-Japanese relations on a firm footing," which, he said, is fully realized both in China and Japan.

Commenting on the arrival of Mr. Arita, the *Shun Pao* on Feb. 26 said: "If Mr. Arita is sincere in his words, which he declared at the time of his departure from Japan that 'the Japanese Government realized the importance of the Far Eastern situation and will build a far-sighted foundation in the spirit of mutual confidence,' he should first of all change the the traditional Japanese policy towards China. Japan should stop all oppressive activities and in a spirit of compromise and understanding strive on the basis of equality and reciprocal cooperation between the two countries only. Hoping for the preservation of peace in the Far East, we are awaiting eagerly the opening of a new era in the Far East with the arrival of Mr. Arita."

Mr. Arita left Tokyo on Feb. 24 and said that he was proceeding to his post with the avowed intention to "tackle Sino-Japanese problems with an open mind." "I am going to my post with a clean slate," the envoy told reporters, according to *Domei*. "I have been out of touch with events in China for about a year and I intend to make up my mind only after consulting all quarters concerned following my arrival in China." Mr. Arita, however, remarked that he had received definite instructions regarding Japan's policy towards China, but that he would have to "get well acquainted with the atmosphere prevailing on the spot" before making up his own attitude. The Ambassador said he did not believe that a committee to discuss Sino-Japanese problems would be formed at the projected Nanking pourparlers as he did not intend to follow the so-called "conference table method of diplomacy," as was the case in the Washington Conference to which he was a delegate. "Since the views of the Chinese government have been made clear to me, I intend to proceed with a discussion of definite issues personally," he added. "Consequently I expect the negotiations to follow a course dictated by circumstances," Mr. Arita went on. The envoy denied that he had received any instructions regarding Japan's intentions to extend financial assistance to China, either in the form of a loan or otherwise. Japan, Mr. Arita continued, wishes to see North China treated as "a special area, because of the reigon's proximity to 'Manchukuo' and the immediate effects of the political situation there upon 'Manchukuo." "But this is entirely different from the issue of how the Hopei and Chahar Political Council and the East Hopei Autonomous Government should be correlated," he said. "Regarding North China, I intend to listen to what the Chinese have to say first and then make whatever claims we believe justified," he stated. The envoy, *Domei* understood will return Tokyo in May to report to the Tokyo authorities on the results of his projected interviews with Gen. Chiang Kai-shek, President of the Executive Yuan, and Gen. Chang Chun, Foreign Minister. The Japanese attitude on the settlement of various Sino-Japanese issues will be decided after Mr. Arita's observations are made.

KOZUKI WILL REPLACE TADA AS COMMANDER OF JAPANESE NORTH CHINA GARRISON

Important army changes in North China in March, when the Japanese garrison there will be nearly doubled, were predicted Feb. 25 in the *Asahi Shimbun*. According to the newspapr, Major-General Tada, Commander of the Japanese garrison in North China, will be replaced next month by Lieutenant-General Seiji Kozuki, Director of the Military Infantry School, and that Major-General Seiichi Kita will be appointed Chief of Staff. The paper also forecasted the appointment of Major-General Takayoshi Matsumuro as chief of the Special Service Corps in Mukden in succession to Major-General Doihara on the latter's promotion to Lieutenant-General. Fifty-five years of age Lt.-General Kozuki was formerly Commander of the 18th Infantry Regiment and sectional chief of the Military Affairs Bureau.

The Japanese garrison in North China, distributed between Peiping, Tientsin and Tangshan, will be increased shortly from below 2,000 to 4,000 men, according to a *Reuter* report from Peiping. The Kwantung Army will continue to garrison Shanhaikuan, on the Great Wall. The Tokyo War Office announces that Imperial Sanction has been obtained for the dispatch of two divisions to replace the Japanese divisions at Harbin and Tsitsihar, and also for a unit to replace a portion of the Japanese forces in North China.

DOIHARA NOT AUTHORIZED TO REPRESENT KWANTUNG ARMY IN NORTH CHINA PARLEYS

Considerable interest has been aroused in Chinese circles in North China by an interview given by Major-General Tada, commander of the Japanese Garrison at Tientsin, to Chinese pressmen in Peiping on Feb. 23. He first pointed out that Major-General Doihara was not authorized to represent the Kwantung Army at Changchun in discussions concerning the Chahar and Hopei issues. He stated that the Hopei and Chahar Political Council was undergoing some sort of reorganization and that it would work for the welfare of the people. Major-General Tada claimed that he was ignorant of the conditions in East Chahar as the movements of General Li Shou-hsin, commander of the "Manchukuo" forces there, were being handled by the Kwantung Army. Speaking of Sino-Japanese friendship, Major-General Tada declared that Japan had no intentions of invading Chinese territory and that both countries ought to assume the responsibility of improving the relations between the two Governments. He was satisfied, he said, with the way in which the anti-Japanese movement in North China had been suppressed and hoped that the students would return to their classes and hold no more demonstrations. Major-General Tada left Peiping on Feb. 24 by airplane for Kalgan en route to Kweisui, provincial capital of Suiyuan. He will call on General Chang Chih-chung, chairman of Chahar, and General Fu Tso-yi, chairman of Suiyuan. He told pressmen that he would not visit Prince Teh at Pailingmiao in Inner Mongolia as he had previously planned.

Central News reported that the War Office in Tokyo has sent official instructions to Lieut-Gen. Tada to the effect that Major-Gen. Doihara has been entrusted with full responsibility of negotiating with the Chinese authorities regarding outstanding Hopei and Chahar problems. Hereafter, it is learned, Gen. Tada will take no further part in the Sino-Japanese negotiations.

The Japanese Gendarmes Headquarters in Peiping have established an office in Tungchow with Col. Terayama in charge. Chen Chung-fu, chairman of the Foreign Affairs Committee of the Hopei-Chahar Political Council, called on Major-Gen. Doihara on Feb. 22. The two-hour conversations between them were reported to have centered on major problems concerning Hopei and Chahar provinces, although the exact nature of the outcome was not divulged.

MAJOR SINO-JAPANESE ISSUES IN NORTH TO BE REFERRED TO NANKING

Problems relating to the Hopei and Chahar situation in the forthcoming Sino-Japanese negotiations which are not within the jurisdiction of the Hopei-Chahar Political Council to handle will be referred to the National Government for decision, according to Hsiung Shao-hao, member of the Foreign Affairs Committee of the Hopei-Chahar Political Council, in an interview with a representative of the *Central News Agency*, on Feb. 19. With regard to questions which are within the province of the Council to decide, Mr. Hsiung said, the Council will seek every possible measure for their solution at an early date.

Gen. Hsiao Chen-ying, Mayor of Tientsin, said on Feb. 19 that more than half of the intricate problems relating to the preliminary negotiations have been settled. In the opinion of Gen. Hsiao, probably six more weeks would be required before the entire issues of the Hopei and and Chahar situation would reach a comprehensive settlement. Regarding the East Hopei situation, Gen. Hsiao reported that it was decided that the so-called East Hopei Autonomous Government under Yin Ju-keng be abolished and amalgamated with the Hopei-Chahar Political Council.

Well informed Chinese circles predict that the question of the Demilitarized Zone, which has become notorious as the source of a welter of Sino-Japanese conflicts, will shortly be placed on the agenda of the Sino-Japanese negotiations which have been going on between the parties concerned during the past several days. Considerable progress is said to have been made between the Chinese and Japanese authorities concerning the abolition of the Tungchow bogus organization. When this question is fully thrashed out, it is believed the question of the abolition of the Demilitarized Zone will be discussed.

Early return of Sino-Japanese relations to normality and a thorough readjustment of all outstanding issues between the two countries in a not very distant date are predicted by well-informed diplomatic circles in Nanking, according to *Central News* Feb. 19. It is indicated in these circles that the overture of General Chang Chun, Minister of Foreign Affairs, to the Japanese Government last December, in which he suggested a general regulation of Sino-Japanese relations, instead of piece-meal settlement of scattered issues, has had the concurrence in principle of the Japanese Foreign office. It is also said that not only is the Japanese Foreign Office agreeable to the Chinese suggestion, but also at a recent joint conference of the Japanese Foreign and War and Navy Offices, unanimous opinion was reached on this point. Indications are, therefore, that all outstanding issues between China and Japan will be settled through regular diplomatic channels. Belief is expressed that during the future negotiations, th various North China issues will probably be the chief topic of discussions. Japan, it is believed in diplomatic circles, will take no further extraordinary steps in North China, thus hastening the return to normality of relations between the two countries.

Current reports that some important changes in the complexion of the political machinery in the North will be made very shortly were officially denied in Peiping Feb. 23. The *status-quo* will be maintained and no change whatsoever has been contemplated, it is pointed out by responsible quarters. Gen. Sung Cheh-yuan, Chairman of the Hopei and Chahar Political Council, will remain in Peiping and is not going to Paoting.

Bringing back with him to the Waichiaopu first hand information about the latest developments in Northern Chahar, Lo Chia-heng, Inspecting Commissioner of Foreign Affairs at Kalgan, who returned to Nanking Feb. 18 from the North, asserted that Gen. Chang Chi-chung, Chairman of Chahar, is determined to fight should the so-called Mongolian Peace Preservation Corps under Li Shou-hsin advance further from their present position toward Kalgan.

Col. Nagami, Chief of Staff of the Japanese Garrison Headquarters at Tientsin, called on General Sung Cheh-yuan Feb. 22 for an exchange of views concerning the Hopei and Chahar situation. The meeting lasted half an hour, but the result of the discussions was no divulged. Col. Nagami left Peiping by air for Tokyo Feb. 25 on orders from Maj.-Gen. Hayao Tada, Commander of the Japanese Garrison in North China. Although the headquarters of the Garrison declined to reveal Col. Nagami's mission, *Domei* learned that he will report to the Central Army authorities on the situation in North China. Col. Nagami will transfer to a commercial plane in "Manchukuo" to continue his trip to Japan.

TROOPS OF TEH WANG MUTINY AT PAILINGMIAO

Five hundred troops belonging to Prince Teh, secretary-general of the Mongolian Local Autonomy Council, stationed at Pailingmiao, mutined Feb. 23 because of non-receipt of pay, according to Chinese telegrams from Kweihua. The rebels marched southwards, but were turned back by troops belonging to General Fu Tso-yi, Chairman of Suiyuan. Prince Teh, who is at present in Pangkiang, 200 miles east of Pailingmiao, has been informed by telegram of the mutiny. The report of the mutiny was confirmed in official circles in Peiping on Feb. 24. It is said that the mutineers are mostly natives of the Mongolian banners in Suiyuan and they went to serve under the new Council in Suiyuan rather than the Council at Pailingmiao.

Gen. Yen Hsi-shan, Pacification Commissioner for Shansi, has consented to assume his concurrent post as Directing Commissioner of the Local Autonomy Council for the various Mongolian Leagues and Banners in Suiyuan.

Col. Li Chi, Director or the Bureau of Public Safety of Paoting, has been delegated by Gen. Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, to see Gen. Yen Hsi-shan, Pacification Commissioner for Shansi. Accordinig to official quarters, the purpose of Col. Li's trip to Taiyuan is to confer with Gen. Yen concerning bandit suppression measures in southern Hopei.

For the complete eradication of bandits in Hopei, Gen. Sung Cheh-yuan, Chairman of the Provincial Government, has decided to divide the province into four bandit-suppression areas. Troops will be drafted from the 29th, the 32nd, the 53rd and the 63rd Armies to stage a final bandit-cleaning drive which is expected to take two months to complete.

The report reaching Nanking from Paoting that the Central Publicity Department of the Central Executive Committee has asked the Hopei Provincial Government to order the registration of newspaper and magazine editors in that province within 10 days was denied Feb. 20. According to authoritative sources, the Central Publicity Department has not sent such request to the Hopei authorities as there is no necessity for enforcing such measure at the present, it is explained.

SOUTHWEST DEMANDS NANKING'S REJECTION OF HIROTA'S 3-POINT PROGRAM

Demands that the National Government in Nanking immediately and flatly reject the three-point program outlined by Koki Hirota, Japanese Foreign Minister, and that the Government from now on keep every diplomatic move public have been sent to the Chinese capital city by the Southwest Political Council in Canton, according to a report published in *Shanghai Evening Post* on Feb. 26. The Southwest outburst is considered as extremely important inasmuch as Hachiro Arita, the new Japanese Ambassador to China, arrived in China the very day with an announced intention of seeking a readjustment in the Sino-Japanese relations according to the three principles

laid down by the Gaimusho. The principles enumerated by Mr. Hirota are that China shall cooperate with Japan and "Manchukuo," abandon policies of playing one foreign country against another and stop all anti-Japanese movements, and start joint action in checking communist menace in the Far East. "Japan is openly considering China as her protectorate," the Southwest Political Council declared in its telegram to Nanking. "She is considering the North China provinces as her base of operation. If we accept these principles, the integrity of our country will be ruined. We sincerely hope that the Govrnment will flatly reject the demands and from now on pull down the veil which had been shrouding all diplomatic developments." The fact that the Southwest Political Council issued the telegram at the moment Hu Han-min, veteran Kuomintang statesman, is playing a dominent role in Kwangtung and Kwangsi following his return from Europe added further significance to the declaration against the three-point program. Nanking's foreign policy towards Japan has been regarded as the most important cause for failure in her efforts to cooperate with Canton leaders. Although the Nanking leaders have yet made to definite declaration that they would accept the Tokyo program, the Japanese Foreign Ministry is known to be strenuously working towards this goal placing the National Government in an embarassing situation.

GENERAL MATSUI HAS LENGTHY CONFERENCE WITH HU HAN-MIN

General Iwane Matsui, retired Japanese officer and advocate of Pan-Asianism, conferred on Feb. 21 for three hours at Canton with Hu Han-min, veteran Kuomintang leader. According to General Matsui, complete agreement was reached between him and Mr. Hu on "the need of Sino-Japanese cooperation for the revival of Asia."

The alleged anti-Japanese activities of a southwestern civilian faction, led by Tsou Lu, President of the Chung Shan University of Canton, were blamed by the *Shanghai Nippo* Feb. 24 for the failure of the Southwest to come to terms with Nanking. Although the military leaders of the Southwest, including Generals Chen Chi-tang, Li Tsung-jen and Pai Chung-hsi, "reject Mr. Tsou's childish and provocative attitude," it has made Hu Han-min's entry into the Central Government difficult, the paper asserted. Mr. Hu himself, the journal added, has been "moderate" in his comments on Japan, even before his departure for Europe. Should he reverse his attitude in the future, his utterances would be made "only for home consumption, as a political manoeuvre." "The Central Government," the *Nippo* said, "is anxious to join hands with the Southwest, thus absorbing the latter's political influence."

The *Shanghai Mainichi* said that the sudden flight southward of Dr. C. T. Wang, former Foreign Minister, was an indication of Mr. Hu's willingness to assume his post at the head of the standing committee of the Central Executive Committee. Commenting on Mr. Hu's declaration on Feb. 15 that he would not make the trip to Nanking, the journal expressed the belief that he acted under a strong pressure of certain Southwestern military leaders. "Whether or not Mr. Hu will join the Nanking Government is immaterial, as his assumption of a post in the Central administration would mean his divorce from the southwest," the paper concluded.

Considerable interest and speculation has been aroused in Chinese circles in Canton concerning Japanese intentions in South China as a result of the frequent visits of high Japanese official to Canton and Nanning. Rear-Admiral Kenji Hosokaya, commander of the Fifth Destroyer Squadron, arrived in Canton Feb. 25 and will remain for a few days, while another Japanese general is coming to Canton shortly.

Inability to understand the Chinese concern over the events in North China, while Great Britain "is scheming to establish her dominance over the Southwest," was editorially professed Feb. 22 by the *Shanghai Mainichi*. "The Hongkong Government," the paper alleged, "is negotiating with General Chen Chi-tang, the military ruler of Canton, for the conclusion of a political and economic agreement." The rapprochement will reecive a finishing touch with the return to China of Dr. Wang Chung-hui from The Hague. "Great Britain," the journal continued, "has renewed her efforts to maintain her control of the region south of the Yangtze in 1934. Now, with Hongkong as her base and the nearly completed Canton-Hankow Railway as her weapon, she is seeking to further her scheme." The paper said that Britain "anticipates more" from the southwest than Japan does in the northern provinces.

HU INSISTS ON ACCEPTANCE OUT OF HIS POLICIES BEFORE GOING TO NANKING

In a reception to representatives of the various organizations in Canton on Feb. 15, Hu Han-min, chairman of the Standing Committee of the Central Executive Committee, delivered a speech in which he reiterated his stand with regard to the Party and the Government. He stressed on the sore need of readjustment of the affairs of both the Party and the Government—the former should be so organized that every Party member could be made as faithful as a fanatic to his religion, and the latter should be at all costs changed into a truly responsible government. He eulogized the political parties of Germany, Russia and Italy and urged the members of the Kuomintang to adopt the spirit evinced by the members of the political parties of the abovementioned countries. He called upon all to engrave the motto "we come to serve and not to be served" firmly in their minds. As regards the reasons for his going to Nanking at the present moment, he said:

"Since my arrival at Canton twenty days ago, comrades throughout the country and abroad have all evinced grave concern over my condition and have longed to know whether or not I will proceed to Nanking to assume state duties. I deem it appropriate to take this opportunity and make clear my intention.

"Since my departure from China last year, I had spent six months abroad to recuperate. Time, however, has not restored perfect health to me. Being frail physically I am constrained to shun the severe cold of North China, as advised by my physician. Thus it is that I have decided to make a sojourn in Canton.

"With regard to my assuming state duties in Nankking, I have yet to be assured that my policies could be carried out before I would take the trip north. The policies of national salvation should not be likened unto empty phrases; once uttered, the statesman must seek channels to put them through. In my opinion, the national policies in the past years had all been erroneous—the policies concerning foreign affairs, military and financial administration etc. had all been blunders which brought disastrous consequences to the nation. Woe unto woe is added as the years progress and the people are now groaning under the pressure of maladministration and foreign encroachment. That my words are not false accusations can be disconcerned from the fact that daily parade before us. Now may I reiterate that, so far as I am personally concerned, I have put personal welfare out of my mind; I am standing by the principles that I have uttered —I shall remain inexorable.

"My age is near sixty. I demand nothing from the comrades, the Southwest, or the people, as far as my personal welfare is concerned. But I am in urgent need of them for salvation of the nation. My only hope is that all of them will rise up and weather the nation through the present travail.

According to a *Reuter* report, Chen Chung-fu, Chairman of the Foreign Relations Committee of the Hopei and Chahar Political Council, has received a telegram from Hu Han-min, requesting him to go to Canton and make a report on the situation in North China. A resident in Japan for many years, Mr. Chen once served as Japanese secretary to the late Dr. Sun Yat-sen. Later he acted in a similar capacity to Mr. Hu. For a number of years Mr. Chen was a reserve member of the Central Executive Committee of the Kuomintang. He came to Peiping last December after he had lost his seat on the Committee in the elections at the Fifth National Congress of the Kuomintang. It is believed that Mr. Chen will not be able to proceed to Canton immediately as he is in charge of the negotiations with General Doihara regarding various Sino-Japanese questions in North China.

HSIAO DENIES HE OR HU SENT EMISSARIES TO NORTH

Hsiao Fu-chen, the prominent Southwest stateessman, denied Feb. 21 the rumor that he and Hu Han-min had sent delegates to the North to confer with the Central Authorities concerning the political situation. He also denied the report that Kwangsi had concluded an agreement with a "certain country" for the development of mines in the province. Mr. Hsiao said that Mr. Hu was still adhering to the principle that there must not be a party within the Party and that the Kuomintang must be intact and rule supreme. He discounted the report that a new Kuomintang would be formed to challenge the Kuomintang.

WANG CHING-WEI LEAVES CHINA FOR EUROPE TO RECUPERATE

Departing for Europe for reasons of health, Wang Ching-wei, the Chairman of the Central Political Committee and until last year President of the Executive Yuan, em barked on the German liner *Gneisenau* Feb. 19. Mr. Wang is accompanied by Tseng Chung-min, a trusted lieutenant and former Political Vice-Minister of Railways, and Chen Yao-tsu, former Director of the Finance Department of the Railway Ministry. During the journey, he will be attended by Dr. Noll, his personal physician. Madame Wang is not making the trip with her husband as she herself is also ill and not permitted to travel. Mr. Wang's trip will be of short duration as he hopes to return in a few months as soon as his health sufficiently improves. Owing to his illness he will nnt receive or make any calls of a social nature en route. While in Europe, Mr. Wang will seek treatment from the famous German physician, Dr. Sauerbruch. Mr. Wang's condition has lately been the cause of much anxiety.

Mr. Wang passed through Hongkong Feb. 21 on the *s.s. Geneisenau* en route to Europe. Due to the weak state of his health, Mr. Wang was unable to land. He was visited on board by Miss Hu Mu-lan. daughter of Hu Han-min; Wu I-chih, representative of General Chen Chi-tang, Commander of the Kwangtung Provincial Forces; and Chang Jen-min, representative of General Li Tsung-jen, Commander of the Kwangsi Provincial Forces. Miss Hu and Mr. Wu handed to Mr. Wang personal letters from Hu Han-min and General Chen Chi-tang. The latter, in his message, invited Mr. Wang to pay a brief visit to Canton, but Mr. Wang was unable to accept the invitation as the liner sailed at 10 p.m.

Dr. C. T. Wang, former Minister of Foreign Affairs, arrived in Canton Feb. 22. Interviewed, he denied a Chinese press report that he was fulfilling an important political mission. Dr. Wang attended a Rotary dinner on February 24. Dr. Wang called on Hu Han-min, recently elected Chairman of the Standing Committee of the Central Executive Committee, on Feb. 23. Dr. Wang left Canton on Feb. 25 for a visit to Swatow and Amoy before returing to Shanghai. Interviewed by *Reuter* Dr. Wang declined to discuss political matters. He said he had been immensely impressed by the progress Canton had made in the past 20 years, and had been particularly struck by the large number of industrial factories that had sprung up. The Cantonese authorities, he declared, deserved congratulations on the success of their pacification measures, which were responsible for the complete order and security at present enjoyed by various districts in Kwangtung, where 20 years ago banditry was rampant.

The report that Generals Li Chung-jen and Pai Chung-hsi have assumed their new posts of Commander-in-chief and vice Commander-in-chief of the Kwangsi-Hunan-Kweichow Bandit Suppression Army is not true, according to a *Central Press* message from Canton. The message also denied that the Central Government has given a monthly subsidy of $300,000 to the Fourth Group Army.

The program of compulsory military training now in force in Canton will be extended to every part of Kwangtung Province shortly, according to a *Reuter* report. Plans are now being drafted which will require all employees of the Provincial Government to undergo such training. Canton employees, who have been receiving training for the past two months, will be reviewed in March.

The Kwangtung Provincial Government has decided to allot the sum of $120,000 as the provincial appropriation for the promotion of mass education. Subsidy from the National Government for the same purpose is $120,000, thus making a total of $240,000.

JAPANESE REPORT SAYS 6,000 COMMUNISTS ENTER SHANSI

A band of 6,000 communists, under the command of Mao Tse-tung, crossed the Yellow River on Feb. 23 in three columns, entering Shihlou and Linchow districts in Shansi Province, a *Domei* report from Tientsin said. Gen. Yen Hsi-shan, Pacification Commissioner of Shansi, the report added, is conferring with military officials on measures to check the advance. Alarmiing reports of a red advance into the province led Gen. Yen Hsi-shan to appoint Gen. Sun Chu, Commander of the Chengting-Tayuan Route Army, to head the anti-communist troops on Feb. 25, according to *Domei*. Gen. Sun arrived at Taiyuan by air from Chengchow, Honan, Feb. 24 on a hurried summons from Gen. Yen.

News has just been received by the Apostolic delegate in Peiping that Father Henry Kellner, a German Catholic, was captured by the Reds under Ho Lung in Shihtsien, east Kweichow, on January 13. The news is contained in a letter from Father Kellner, who says that he has been commanded to write a note demanding $50,000 for his release. The letter, received from Kweiyang, was dated January 13. There are indications that Father Kellner is now in the company of R. Bosshardt, the captive Anglo-Swiss missionary, as the German priest is reported to have been seen in the company of a Protestant minister. Mr. Bosshardt, who belongs to the China Inland Mission was captured by Communists under Hsiao Koh on October 2, 1934, at Kiuchow, 80 miles east of Kweiyang. He was last seen alive on January 26, some miles east of Kweiyang.

After recapturing Lushan on Feb. 17, Government troops under Lieut.-Gen. Hsueh Yueh scored another victory on Feb. 19, when they occupied Lingkwan to the north of Lushan on the Szechuan-Sikong border.

Continuing their vigorous push again the bandit remnants under Chu Teh, Szechuan provincial troops have successively recovered several Red strongholds in th vicinity of Tienenhuan at Lushan during the past week, according to military reports. During the engagement with the bandits about 100 outlaws are reported to have been killed and large quantities of arms and ammuniition seized by provincial forces. The defeated communists are now fleeing toward Paoshing, north of Lushan.

Art Exhibit of Tchang Tchong-jen Arouses Much Interest

Sponsored by a group of prominent foreign and Chinese leaders including H. E. Baron J. Guillaume, Belgian Minister to China, Dr. Tsai Yuan-pei, President of the Academia Sinica, Ma Hsiang-pei, venerable Chinese scholar, Gen. Hsu Lang-hsi, President of the Hsin Hwa Arts College and several others, an exhibition of the works of a talented young Chinese artist. Tchang Tchong-jen, comprising about 80 sculptures and paintings was held at the Alliance Francaise, 11 Route Vallon during the week. The exhibition, which was opened on Feb. 22, has aroused considerable interest in local international art circles and will last until March 1.

Mr. Tchang is a Belgian returned student. He specialized in sculpture and painting at the Royal Academy of Brussels from 1931 to 1935 and studied under the noted Belgian sculptor, Professor M. E. Rombaux. Mr. Tchang's works won much admiration in European art circles at the recent exposition in the Royal Academy of Brussels, for which he was awarded the Royal Medal as the First Prize of the City of Brussels in sculptural composition in 1934.

After completing his studies in Belgium, Mr. Tchang toured the various European counties and visited the art museums of the leading European cities, including London, The Hague, Berlin, Munich, Florence, Venice and other centers of art. He returned to China in the latter part of last year.

Views of an Expert on a Soviet-Japanese War

BY THE REVIEW'S HARBIN CORRESPONDENT

ALL is set for action in Manchuria. To start the Soviet-Japanese war appears to be the easiest of all. Suffice it to enlarge one of the frequently occurring frontier incidents a little and both armies now gathered at the frontiers will leap on each other in a deadly struggle. That the situation has come to such a head appears to be obvious, firstly, from the antagonistic and uncompromising attitude of each side in nearly every issue affecting Soviet-Japanese relations. Briefly stated, these problems in which Japan and the Soviets are at loggerheads are as follows:—

(1) The question of demarcating the frontiers.—This is probably the easiest of all, and it was raised by the Japanese side (via its Manchukuo puppets) following the incident at Chingchagou, on the eastern frontier, on January 30 last. It was formally taken up by J. Ohashi, the Manchukuo vice-Minister of Foreign Affairs, during his conversation on Feb. 11 with the Soviet Consul-General in Harbin, M. Slavutsky. According to Japanese reports, Mr. Ohashi tried to convince the Soviet diplomat of the necessity of clearly defining the Soviet-Manchukuo frontiers, the uncertainty of which, he contended, was the principal cause of frequent deplorable incidents on the frontiers. To press home his demand, Mr. Ohashi cited the Peking and Mukden treaties of 1924, concluded between the Soviet Government and the then Peking and Mukden administrations, whereby it was agreed to organize a joint Chinese-Soviet commission for the purpose of demarcating frontiers, and which—as is known—has never materialized. Mr. Ohashi took up this chance to demand the fulfilment by the Soviet side of this clause of the Peking and Mukden treaties.

This demand was flatly turned down by Mr. Slavutsky, who—according to reports—contended that he was not in the possession of the official text of the treates and that he could not under the circumstances express any off-hand opinion on the merits of the proposition. However, he promised to refer the matter to his home government, on whose decision the whole matter rested, he said. He thought that the frontiers were already defined by Sino-Soviet treaties since 1689 (the Treaty of Nerchinsk) and that there was no necessity for revising them again.

(2) The extradition of "deserters."—Mr. Ohashi further demanded that the Manchukuo soldiers, in all 108 men, who mutinied against the Japano-Manchukuo authorities and fled to Soviet territory on January 29, be handed over to Manchukuo for trial and punishment. He contended that these deserters were mere criminals charged with mutiny against their superiors, manslaughter and theft of official property, hence they were subject to extradition. He thought these deserters, as mere criminals, could not be regarded as political exiles seeking asylum in foreign territory.

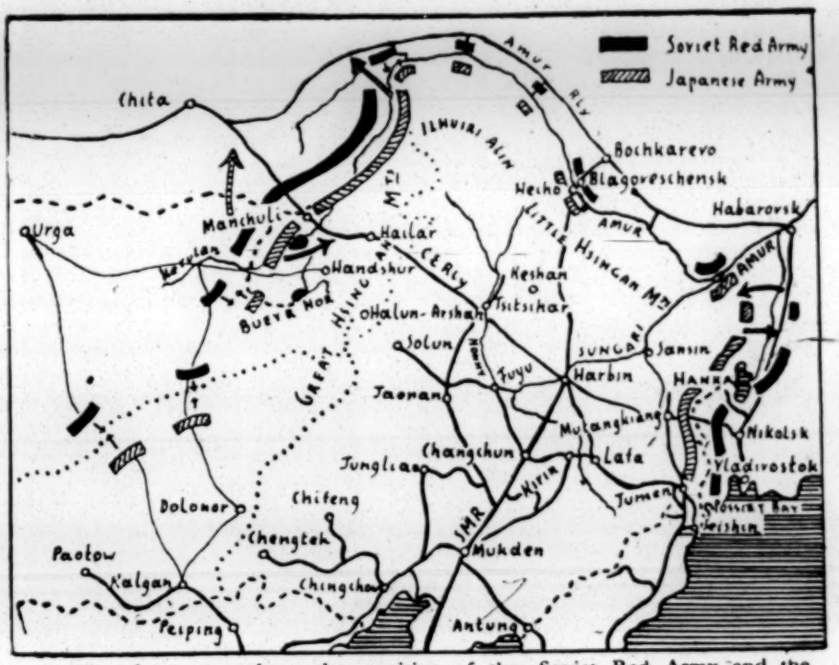
Soviets Demur Against Giving Up Refugees

As is known, the Soviets have flatly refused even to consider this demand and will most certainly persist in this attitude, contending that the deserters are political refugees and as such subject to no extradition. The extradition of these men would have a disastrous effect on the future policy of the Soviets in Manchuria, to wit: (1) it would imply the tacit recognition of the present regime in Manchuria as legal, something which has not yet been formally accorded by the Soviets; (2) it would contribute to the suppression of the anti-Manchukuo revolt of loyal Chinese citizens, known as "bandits" and volunteers, and (3) it would have the most disastrous effect on the progress of a revolutionary movement in Manchuria, at present receiving its impetus and inspiration from the struggle now going on in Manchuria.

It is obvious that under no condition will the Soviet Government accept this demand of the Manchukuo Government.

(3) The settlement of frontier "incidents."—According to Japanese reports, up to December 15 last, out of 147 formal protests of the Manchukuo Government in connection with frontier incidents, only four were more or less satisfactorily settled by the Soviet Government, the rest having had no response whatever. It is stated that, in the period between March 1, 1934, and November 30, 1935, there occurred altogether 201 cases of trespassing on Manchukuo territory by Soviet-Outer Mongolian frontier guards, these cases having been spread out as follows: 105 cases on the eastern frontier, 68 cases on the northern frontier, 15 cases on the western frontier and 13 cases on the Mongolian frontier. Since then, the number of these trespasses has increased considerably, e.g. since September last, the Manchukuo side counts 17 violations of its sovereign rights by Outer Mongolian soldiers alone, the number of similar cases on other frontiers being unknown. Recent battles on the eastern and western frontiers prove conclusively that the number of these "incidents" is mounting steadily, each time assuming graver and graver proportions.

(4) Fishery disputes.—The negotiations for the settlement of a long drawn out dispute concerning Japanese and Soviet fishing rights in northern waters have come to a definite deadlock. The differences are so wide apart that any compromise seems to be out of question. Briefly, these differences may be put as follows: (a) concerning the period of leasing fishing grounds, the Japanese side demands that this period be limited to no less than 12 years, whereas the Soviet side accedes to the period of only five years, at most; (b) the Japanese demand to have more fishing grounds, this being against Soviet views; (c) the Soviets wish to have the rent paid in advance, whereas the Japanese would like to pay according to the amount of fish collected in the season, and (d) proposals concerning the protection of fishing grounds as well as the ruble-yen exchange rate have proved to be equally wide apart.



The above map shows the position of the Soviet Red Army and the Japanese Army in case the present frontier hostilities flare up into a major clash.

It is almost unbelievable that both sides will prove so peace-loving as to effect a speedy compromise on all these knotty problems affecting their relations. In that case, after what has been said and done, both sides will prove to be arch-bluffers. In the meanwhile, the frontier incidents mount in number as well as in gravity. Of these, perhaps the gravest of all occurred a week ago, on Feb. 12, in the Buyer Nor district, which quickly turned into a grand battle participated in, for the first time, by Soviet airplanes which allegedly bombed Japano-Manchukuoan troops operating against Outer Mongolians. As the result of this incident, very grave indeed, the Japanese air force in Tsitsihar, Hailar and other places has been told to stand by in readiness to hop off for a combat against Outer Mongolian-Soviet "intruders." Another incident of no less gravity and at this time involving 1,000 Outer Mongolians and four armored cars took place on February 15, also near Buyer Nor, the battle lasting eight hours.

Thus, the condition of war already exists. It seems to be the simplest matter to evolve it into war, for which both sides—Japan and the U.S.S.R.—appear to be ready. It will obviously be one of the bloodiest and the most destructive wars the world has ever seen, far surpassing in this respect the last World War. In view of this extremely serious situation, it is timely to examine the strategic peculiarities of the impending war as told to the writer by a military expert whose name cannot for obvious reasons be disclosed.

One need not be an expert, he said, to see that Manchuria is in a peculiarly advantageous position in war against the U.S.S.R.

Being surrounded on all sides by mountain ranges (the Great Hsingan Mountains in the west, the Ilhuri-Alin and the Little Hsingan Mountains in the north and the Tienboshan Mountains in the east), Manchuria represents a vast fortress situated in between loosely connected Soviet territories in Trans-Baikal and Maritime Provinces of Siberia. In view of these peculiar topographic characteristics, Manchuria is in a specially advantageous situation for both offensive and defensive operations against the Red Army. The three rivers—the Argun, the Amur and the Ussuri—running along the named mountain ranges, serve as natural ditches which will have been taken and crossed by the invading army before it reaches the footsteps of these mountains. Judging by the experience of the Great War as well as of the present Italo-Abyssinian campaign, it appears to be certain that, if these mountain ranges are held by a modern army, in the present case by the Japanese Army, they will be made almost impregnable. Hence, the Red Army will have to seek a decision in plains lying before these mountains, presumably along the Outer Mongolian as well as the eastern frontiers.

Russians Prefer Winter for Operations

The most suitable season for the Japanese Army to begin war is certainly the spring or the summer, for operations of 1918-1922 in Siberia had conclusively proved that the Japanese troops were at their best in warm seasons, whereas the Red Army would welcome the commencement of operations in the winter, as the Russian soldier is more adapted to cold than his Japanese adversary is. However, there is one serious disadvantage for the Japanese to begin war in the warm season; it will be difficult, if not entirely impossible to cross the Amur River with a view to cutting off the Amur Railway at its most vulnerable places near the river. On the other side, the Japanese air arm, on which the high command will rely from the first hour of hostilities, would be at its best in the warm season, whilst the Soviets, judging by their spectacular flights in the Arctic, appear to have developed motors capable of hitchless running in the coldest part of the season.

For the Japanese, another advantage of beginning warlike operations in the warm season lies in the possibility of utilizing their Navy to the fullest extent, which can be done only in the spring or the summer. In that case, the huge Soviet coastal line, extending from the Bering Strait down to the Soviet-Korean frontier would be open to attacks. The Japanese will doubtless take full advantage of this superiority, harassing the Soviet side by demonstrations all along the coastal line, which will however have no effect on the main issue then being fought out on Manchurian battlefields.

It is obvious that both sides will pursue one aim—to crush the enemy in the shortest possible time, for which purpose they will throw all available forces,—air, land and naval,—in the field. Hence, the first weeks of the combat will defy all comparisons, both sides clashing in a series of continuous frontal assaults all along the frontier line extending from Suiyuan Province in China up to the Soviet-Korean border. Both sides will have one purpose underlying all their activities—to snatch the initiative of action from the enemy, to bend him to their own will and by a series of continuous onslaughts to crush him entirely and completely. This will necessitate the bringing of all available reserves and throwing them to the main strategic directions. The Manchurian railways and highways, on which the Japanese have been busy since 1932, will have proved invaluable in these hours of trial.

Assuming that the hostilities have begun in the warm season, it is only natural to expect that the decisive battles will be fought out in the west and in the east. In the west, the front will extend from the Kerulen River all along the Argun River valley, the main clashes occurring on the flanks, especially in the Kerulen River valley. For an expert, the present frontier clashes in this district have therefore a double meaning—to secure a strategic position menacing the flank and the rear of the enemy. A flanking attack on the enemy centred along the Chinese Eastern Railway or its continuation to Chita would therefore work wonders.

In the east, the main battle is likely to be fought out on the front extending from the Possiet Bay to Lake Hanka with no less severe battles along the Ussuri River. On the outcome of this grand battle the fate of Vladivostok will depend whether it will remain cut off from the main body of the Red Army or not. The first and the most sanguinary air-battles are likely to take place here, because the Soviet air-bases located near Vladivostok and Nikolsk-Ussuriski, by virtue of their proximity to the frontier, constitute a permanent menace to Manchuria, Korea and Japan and the Japanese will most certainly try to eliminate this danger once and for all.

The operations on other strategic directions, e.g. in the regions of Kalgan, Dolonor, Buyer Nor, the Amur and the Ussuri rivers, will have more or less the character of demonstrations facilitating the main operations along the western and eastern fronts. On the other hand, the outcome of these operations is likely to depend upon the results of relatively minor operations on the flanks of the contending armies, for on the main fronts the operations will very soon take the form of trench warfare. It is therefore correct to assume that no less importance will be given to demonstrations and side-maneuvers aimed at outflanking the emeny and menacing its communications. The extended character of the front, occupying an enormous area from Suiyuan Province to the Possiet Bay in the east, affords an excellent opportunity for the creation of military talents not only in general headquarters, charged with the conduct of all operations, but more specifically of those in charge of independent demonstrations.

Many persons ask: Who will come out victorous in this war? The question is obviously out of the scope of pure strategy, but the true answer to it should be sought in the state of the rear during the extended warfare. In this respect, both sides appear to be not quite as safe as some people presume.

Harbin, Feb. 19, 1936.

Twenty-One of the Original U.S.-Returned-Students Are Still Alive

It was revealed at a "re-union" in Shanghai recently of six of the "old timer" Chinese returned students that 21 out of the 120 students who during the Ching dynasty were the first Chinese sent to the United States for education, are still living. The reunion was held in honor of Yung Wing, the leader of the first 30 students, who were sent to Hartford, Connectiut.

According to the *Shun Pao*, the students selected to go abroad in those days were reluctant to leave their native shores and most of those who went had brothers or other relatives in the group. However, conditions have changed radically to-day and most Chinese students are only too eager to go abroad to study. The 120 students under the Ching dynasty government fellowships were sent abroad in four groups between 1872 and 1876. Most of the students came from the province of Kwangtung with a few from Kiangsu, Chekiang and Anhwei.

The following 21 members are still living:—First group: Chung Wen-yao, Wu Yang-tseng, Lo Kuo-ji, Ouyang Keng, Yung Chang-chien and Kwong Yung-kuang.

Second: Wu Ying-keh, Wu Chung-hsien, Yung Kwei, Su Ju-chiu, Wen Ping-chung, Ting Chung-chih, Li Si-fu.

Third: Tang Shao-yi, Liang Ju-ho, Chou Chang-ling and Lin Pei-chuan.

Fourth: Liu Yu-lin, Kuang Ping-kuang, Tao Hsie-keng and Chou Chuan-lieh.

Japanese Generals Now Edit "Manchuria Daily News"

(Dairen Correspondence in the North-China Daily News)

The generals are now at the steering-wheel of the *Manchuria Daily News*, semi-official and only newspaper published in English in South Manchukuo. Lieut.-Gen. Yasutaro Takayanagi continues as president, but the editorship which he also held, goes to Maj.-Gen. Tanchide Furujo, formerly in charge of the Press Department of the Ministry, Tokyo, and before that a commander of an Imperial guards regiment.

All rumor of the possibility of a Briton or an American succeeding to the editorship vacated in March, 1935, by the resignation of George W. Gorman, a Briton, has been spiked with the announcement here of Gen. Furujo's appointment. Some members of the foreign community here had hoped that a foreign editor would be chosen if only for the sake of contact between them and the only local newspaper for the English-reading public. It is understood a number of qualified foreigners were available as candidates.

Gen. Takayanagi became president of the paper on March 1, 1933, following the removal of the picturesque proprietor and editor, Zenkichi Hammaura, who had spent a quarter century developing his personal enterprise into one of the most unique journals in the world. Gen. Takayanagi assumed the editorship following Mr. Gorman's departure.

Japanese Law Against Spy Activities to Be Tightened Up

The Tokyo *Miyako* of Feb. 13 stated that as the activities of foreign spies against the interests of Japan and Manchukuo have become marked and in view of the fact that the law controlling spying activities, promulgated in 1899, is a very simple one and is inadequate to prevent modern spying methods, the military authorities are determined to legislate a new law known as the State Secrets Protection Law. According to the proposed law, picture post cards and others which represent bird's-eye views of the leading industrial cities such as Tokyo, Osaka and Nagoya, taken from the air, would belong to the State secrets. Data regarding the production of equipment capacity of factories and number of skilled workers would also constitute a State secret.

Murobushi's Further Reply to Dr. Hu Shih

The following is a translation of a letter written recently by Takamobu Murobushi, a well-known Japanese scholar and writer, to Dr. Hu Shih, noted Chinese scholar. This exchange of correspondence had its genesis in an article which Dr. Hu Shih wrote (at the invitation of Mr. Murobushi) in a Japanese periodical, now known as "Japan Review" and originally as "Economic Monthly." Translations of the original article by Dr. Hu Shih and the reply by Mr. Murobushi appeared in "The Review" of Dec. 4 last year under the heading, "Dr. Hu Shih Sends Appeal to Japanese People—Sympathetic Reply from Japanese Scholar."

Dear Dr. Hu,

Your reply to mine was read with pleasure. I am exceedingly glad that my short epistle has produced reaction in your country. The *Ta Kung Pao* (*L'Impartial*) was the first to publish a Chinese translation of it, and all the publications I have since received, such as the Chinese edition of the *Shanghai Evening Post and Mercury*, the *Independent Review*, the *Shun Pao Monthly*, the *China Weekly Review* (in English), and the *New Man*, reprinted it in full and commented upon it. I have also received letters from several of your countrymen whom I do not know. C. Y. W. Meng, a contributor to the *China Weekly Review*, even went so far as to regard what you and I wrote as "more representative of the public opinion of the people of the two nations than any official announcement of policy, speech, or statements by the authorities in Nanking or Tokyo." To your and Tao Hsi-sheng's criticisms I am all the more grateful.

Why I should further reply to you is because I fear that wise as you are, you still misunderstand my purpose,—or because in the language I employ there is perhaps something that can give rise to such a misunderstanding. Moreover, I feel that, as the *Ta Kung Pao*, one of your leading dailies, puts it, "at the time when Sino-Japanese relations are tense," an exchange of frank opinions is becoming more and more important.

I deem myself most happy to have listened to such "truth," as you call it, from thinkers like your goodself and Tao Hsi-sheng. When an unfortunate relation exists between our two nations, when the true story of such an unfortunate relation has not yet been understood,—this I may also explain to you. Regarding what is known as the autonomous movement in North China, the Japanese populace and even a large portion of the intellectual class do not know the true story. Since the Manchurian incident every Japanese newspaper has become completely an organ for deceiving the people,—at least in respect of international politics. Ninety-nine percent of the press telegrams from Tientsin and Peiping are propaganda, falsehoods, and make-believes,—nothing but political fiction. A portion of the Japanese intelligentsia, having realized that point, are searching for true stories. They are not searching in the *debris* of fabricated reports that daily fill the news columns, but searching for true stories which could not be released in newspapers, that is, for what you have dubbed as truth.

Dear Dr. Hu, truth often moves its hearers, and what one speaks, if it is truth, can appeal to thousands of hearts. I believe that the factor that can lead the people of the two nations to a mutual understanding is not the deceit of statesmen, nor the exaggerated reports in newspapers, but the opinion of an unofficial observer who tells the truth. I am very glad to tell you that just as my short article has compelled unusual attention among your compatriots, the truth told by you and Tao Hsi-sheng has obtained a ready hearing among the Japanese intelligentsia.

You know full well what type of men is in control of Japan and how much restricted the freedom of speech is in Japan. However, the intellectual class and the Japanese people in general are alike in love of truth, in search of truth and in willingly listening to the truth. This can be proved by the fact that your contribution "A Word to the Japanese people" was attentively and widely read in Japan. Now as ever, we want to listen to the truth from your country. We fervently hope to promote the mutual understanding between the peoples of China and Japan, liquidate the outstanding problems and re-establish Sino-Japanese relations. "Fine words and an insinuating appearance are seldom associated with true virtue." This splendid remark handed down by the foremost sage of your country has been known and loved in Japan ever since the ancient time and has passed for one of the moral precepts of Japan. Let me repeat that we, now as ever, love truth, uphold truth and fight for truth. This is the Japanese spirit. So long as Japan loves truth, she will not meet with downfall. What she is proud of is neither the development of her trade, nor the progress of her productive industries, nor her great military strength, but her indigenous spirit,—the consistent spirit of loving truth, upholding truth and fighting for truth.

I myself am but a decadent critic, meager in knowledge and limited in influence. But I unhesitatingly believe that I may rightly tell you on behalf of my fellow-citizens that the Japanese people are not an aggressive people and have full sympathy with their great neighbor. According to Nietszche, this may be the virtue of the weak, but I may joyfully inform you that to be a friend of the weak is one of the immovable foundations of Japanese ethics. The deep firm influence which an extraordinary phase of Japanese literature known as *Kodan*, or story-telling, exerts upon the masses is necessarily an expreseion of the national spirit that the weak should be accorded sympathy and friendship. Why the play, "The Loyal League," better known as "The Forty-seven Ronin," is enacted to a full house whenever it is presented is that it depicts such a national spirit as exhibited in the sympathy toward the weak and the dislike toward the harsh and strong. Naturally enough, in the Japanese populace there are not lacking elements who misunderstand your country. Neither can I say that there are no hateful blood-thirsty aggressors displaying a belligerent attitude. To this class of people may belong most of the advocates of the doctrine of Greater Asia and the Monroe Doctrine of East Asia.

Here I may introduce an interlude. Commenting upon the North China autonomy question, a popular writer—and he is a *shinatsu* or sinologue of some note as well—remarked that if the whole territory in the North were lost China it would not fall and that that inference may be supported by reference to the cessation of Hongkong which has not ruined her. This kind of man is a specimen of what the Japanese call *shinatsu*. In Japan, it must be admitted, there is quite a number of such absurd persons. Any country has lunatic asylums, simpletons, vagabonds and rascals, but the Japanese people are wiser than these *shinatsu* and popular writers. They are more virtuous and conscientious. To reject the unruly way and practise the kingly way,—this is really what the Japanese are striving to do. A Chinese sage said, "He who exercises government by means of his virtue may be compared to the north polar star, which keeps its place and all the stars turn towards it." This saying has become our political ideal.

I cannot but realize that under the splendid pretext of a kingly government there is a situation like that of a hungry wolf in Aesop's fables, with sparkling eyes, open jaws, and spreading paws, preying upon an innocent lamb. Here we may again recall the maxim, "Fine words and an insinuating appearance are seldom associated with true virtue." But I think that the Japanese people with good sense know what fate afterwards overtakes that wolf, and that those who truly possess the Japanese spirit fully understand that that spirit is incompatible with an aggressive policy. No matter under what splendid pretext a thing is done, hypocrisy is the greatest vice.

I am confident, Dr. Hu, that I fully understand your position and the position of the masses in your country. Some die-hards, who are not satisfied with my sympathetic attitude toward China have branded me with many noxious appellations. But I firmly believe that among my dear, respectable countrymen with whom I live and grow there ought to arise the Burkes who will impeach the Hastings. "An airplane belonging to your country was flying buzzing in the sky from east to west. Its dark shadow glided trailing over the clean, snow-covered ground." A man that does not feel what you and your brethren felt under that dark shadow—such a man is not. What would happen should a military airplane of Soviet Russia or the United States or Great Britain fly over Tokyo "from east to west," leaving a trail of dark shadow on the white snow! I dare say that there are not lacking those who voluntarily shed sympathetic tears over the present difficult position of your country. As I have pointed out, to be in sympathy with the defenceless is the basis of the Japanese spirit. You know that Mencius would use the phrase "the feeling of commiseration" to describe the sentiment. You cannot love "your enemy," as you have said, but the *samurai* of Japan know well how to love the enemy. Japanese history is replete with such stories. Moreover, we cannot look, with eyes closed, upon the difficult position of your country, which is not "your enemy." If there are in Japan persons indifferent to Chinese hardships, I may unhesitatingly conclude that they are blood-thirsty wolves, not true Japanese people, and they are incompatible with the Japanese honor.

We also realize, Dr. Hu, that Sino-Japanese relations are growing worse. Is there any way to remedy the situation? It seems that you have given up the hope by repudiating my suggestion. In an article contributed by my friend Tao Hsi-sheng (printed in the January issue of the *Japan Review*) evidently the same tone prevails. One of your country-men (Han Shih-chi), in a lengthy letter I received two or three days ago, also strongly advocated such things as military resistance. The *New Man*, a Chinese magazine, in a like manner expressed the opinion that at present China does not seek for friendship and alliance. I know that there is a limit to a people's patience. That Japan dared to declare war against Russia, one of the world powers, in the 37th year of the Meiji Reign (1904) is the example of over-taxed patience. On December 6, 1935, the *Shun Pao*, one of your leading newspapers, editorially said, "When the territory is invaded and the sovereignty impaired, the hope for peace is out of sight."

We know very well what effect the independence of the two or the five northern provinces would have upon China. According to a Chinese journalist, North China is "the head of China." (See the December 14, 1935 issue of the *China Weekly Review*.) Peiping and Tientsin combined constitute one of China's cultural centers. It is alleged that wheat produced in North China forms 55% of the total output in the country, cotton 60%, wool 92%, and coal 42%. I may guarantee that there is but the one Japanese previously mentioned who has considered this important area as equal to Hongkong. It is unimaginable that the seccession of this important center from your country could take place without provoking uproar among your fellow-men. Nevertheless, my friend, we cannot yet regard the situation as completely hopeless. We must not forget that mankind is permitted to use the term war only at the very last moment.

In Japan, Dr. Hu, to declare war is one of the prerogatives of the emperor, according to the constitution. The love of the imperial house for peace is expressly stated in each rescript. The Japanese subjects, being the children of their emperor or *tenno*, will do the utmost in the interest of peace. Their honor, the honor of the Japanese people, does not permit the nation to to wage war against their neighbor without justification. We absolutely respect the independence of your country. I may affirm that the Japanese people not only have no ambition of violating the independence of China, but also would extend chivalrous help to her in case her independence should suffer from external violation. This is the duty and mission of the great Oriental people,—of Japan. Without exaggeration and pretension I may state that how to fulfill this duty and complete this mission is at present the problem given to us, the Japanese. For, only when Japan is conscious of this mission and takes it up, can she deserve the name of a great nation.

The principal points in your "Reply to Mr. Murobushi," Dr. Hu, seem to be criticisms on "the Oriental heritage" and the playing of one nation against another. Regarding the latter point, Tao Hsi-sheng also protested. I fully realize the position in which you, Mr. Tao, and your compatriots are. If Japan were in China's position, I believe that she would be compelled to take the same attitude as China is taking. It may be said,—and I know quite well,—that China has no alternative before her. I also understand China's attitude toward England. In my article "Japan's Next Move," I pointed out frankly that anti-foreignism in your country was really an anti-British movement, that the reason why it had become anti-Japanese was Japan's wrong policy toward China since the presentation of the Twenty-one Demands, and that Japan's statesmen ought to answer for this movement. The same point was clearly brougnt out in another article "China Will Rise Again." My conscience will not allow me to conceal Japan's mistakes and ascribe all kinds of responsibilities to your country. I may affirm again that in the past the China policy of Japan was fraught with grave errors. The absence of a good policy and good leadership on the part of Japan has resulted in the creation of the existing unpleasant relations between these two nations. I admit candidly that we should blame Japan's statesmen before reproaching yours and we should take an attitude befitting a great people,—the attitude of reflection and self-examination. Yet I wish to ask your country again whether her real enemy is Japan or Great Britain. I never doubt that this is the most important question for the Chinese as well as the Japanese.

Dr. Hu, the present entangling problems must be solved, and I feel much concerned on this point. Nothing can be done unless Japan produces a great statesman. It is of course hard to solve any difficult question with your country if there does not appear a great statesman who has a proper cognizance of his country's tendency, understands her mission in the world history, and realizes who is her enemy. But my friend, I also cannot fail to warn your country and hope that she will be far-sighted. If a Japanese statesman recognizes in what direction Japan is moving, understands that her true mission is not to encroach upon her neighbor but to render assistance in the emancipation and liberation of that neighbor; if the statesman in your country also understands that the present plight in which China finds herself is the result of imperialism of Western Europe and he fully realizes to what kind of fate she would be subject should she adopt an attitude of opposition against Japan,—then, I think, China can cooperate with Japan in the making of history.

In a short time, Japan will realize that her enemy is not China, nor the Kuomintang, nor Chiang Kai-shek, but imperialism from Western Europe. China will also understand that her enemy is not her neighbor who is linked to her culturally and racially, but imperialism from Western Europe. When that time comes, my challenge whether China's enemy is Japan or Great Britain will have a practical meaning and can appeal to your country. I will try my best to turn this vision into a reality, even if I should struggle alone.

Four hundred million people of China, I wish you all will look a little farther and more calmly into Sino-Japanese relations. Japan will not continue to err, nor will the Japanese remain blind forever. Propaganda can blindfold the whole people but once; power can deprive them of freedom but once. Montesquieu said significantly, "Terror is the spirit of despotism." Perhaps the government of your country may not give satisfaction to your countrymen, and the satisfaction that the Japanese government renders its people is really very little. But the time will come to pass,—the time when the Chinese and Japanese will enter hand in hand into the world political stage, because the union of Oriental peoples is a natural historical consequence. Let us set the world shivering by uniting the Oriental peoples on the basis of freedom and equality. We may say what Marx said, "What we lose is only an iron chain." Only so can the world stage turn and a new sun rise upon "the land of sunrise."

How Sir Eric Teichman Went Overland from Peiping to Delhi

The Delhi correspondent in the Jan. 30 issue of the *London Times* gave a graphic account of the trip made by motor truck across Asia by Sir Eric Teichman, Chinese Councellor at the British Embassy in Peiping. Sir Eric reached Delhi after a journey of 3,600 miles. He left Peiping in the middle of September, travelling by train as far as Kweihwa, in Suiyuan. Sir Eric covered the 1,600 miles between Kweihwachung and Urumchi in trucks. Delays in the arrival of gasoline held up the party at Edsin Gol, so that he did not arrive at Urumchi until the end of October. The first big oasis reached in Chinese Turkestan was Hami, where Sir Eric Teichman found an official of the Sinkiang Government waiting to welcome him and escort him 350 miles over the mountains to Urumchi. At the capital of Sinkiang Sir Eric Teichman joined the British Consul-General at Kashgar, Lieut.-Colonel Thomson-Glover. In the middle of November, when the weather was beginning to become very cold in Urumchi, Sir Eric Teichman and Lieutenant-Colonel Thomson-Glover left for Kashgar, their mission ended. It takes two months to cover the 700 miles between Urumchi and Kashgar by cart or on horse-back; the journey is easily done in 12 days by motor-truck. It is not possible to cross from Chinese Turkestan to India with any form of transport except pack animals. He left Kashgar on Dec. 10 with a convoy of pack ponies and Turki attendants. He took the winter route to Gilgit, which passes the base of the two great peaks Kongur and Mushtag-ata, both over 24,000 ft. high. These are in the Chinese Karakoram. He and his party crossed the Mintaka Pass (15,400 ft.) on the frontier, their belongings loaded on yaks; the ponies trudged by their side unladen. By the first week of January he was in Gilgit, and after a short halt was flown down to Delhi in a plane placed at his disposal by the Government of India.

Sir H. Knatchbull-Hugessen Appointed British Ambassador to China

Sir Hughe Montgomery Knatchbull-Hugessen, British Minister in Teheran, Persia, since 1934, was appointed Feb. 20 as Ambassador to China, in succession to Sir Alexander Cadogan, who has been appointed Deputy Under-Secretary of State for Foreign Affairs. Sir Alexander, who came to China in 1933 as Envoy Extraordinary and Minister Plenipotentiary, succeeds Sir Victor Wellesley, who has retired after 37 years in the diplomatic service. The telegrams from London indicated that Sir Eric Teichman, Counsellor to the British Embassy in Peiping, has definitely retired from service.

Soviet Union Has No Budget Deficit

Tass says the Soviet Union is one of the few countries that does not know of budget deficits. All the revenue provisions of the 1935 budget have been fulfilled without exception and the revenues show a balance of 700 million roubles over expenditures. The financial program for 1936 reflects the new rise which the national economy of the country is experiencing this year. The unified state budget has been increased to 78.7 milliard roubles, or by 21.5% in comparison with the 1935 budget. This increase is entirely the result of the growth of accumulations of socialized economy.

Over 21 milliard roubles—5 milliard more than last year—are being allotted for social and cultural enterprises; education, training of cadres, scientific work, protection of public health, further development of physical culture, protection of labor and social insurance. Thus, for instance, this year 1,520 new schools will be erected in the cities and 2,800 in the villages. There will be an increase of 2.5 million pupils in the elementary and secondary schools.

Japanese and German Kalium Chlorate Suppliers Battle for China Market

Japanese papers report that there is a battle in progress between German and Japanese suppliers of kalium chlorate (used in the making of matches) for the market in China. It appears that the Japan Soda Industry Co. has a capacity of about 500 tons per month, while domestic consumption is only about 200 tons. Now that the Japanese suppliers are invading the China market with the surplus, the Germans are alleged to be resorting to dumping.

The "New Life Movement" in Full Swing in China

BY C. Y. W. MENG (孟昭泳)

CHINA's weakness as a nation is due to many causes, but among the more important is the superficiality of her people and their inordinate desire to "save face." This frank statement was made by General Chiang Kai-shek in the spring of 1934, soon after the launching of his "New Life Movement" for the observance of clean and tidy habits, unselfish consideration for others, and sincerity in all dealings. This movement was inaugurated on February, 19, 1934, in Nanchang, where the General had his headquarters during the campaign for the suppression of Communist-banditry, and which spread to other parts of the country, warmly approved as it was by the National Government.

Significance of the Movement

To the promoter of the Movement, to correct or to revolutionize an age-old habit is a difficult thing, but by using the simplest, and therefore, most efficient means, it is hoped that in time the outlook of the people will be entirely changed and they will be able with spirit and competency to meet the requirements of the new times and a new life. The aim of the New Life Movement, therefore, is the social regeneration of China.

It is to this end that their thoughts are now being directed to the ancient high virtues of the nation for guidance, namely, etiquette, justice, integrity and conscientiousness, expressed in "li" 禮, "i" 義, "lien" 廉, and "ch'ih" 恥. These four virtues were highly respected by the Chinese people in the past, and they are vitally necessary now if the rejuvenation of the nation is to be effected.

China has had a cultural history of some five thousand years, with fine standards to guide the daily life of the people, and yet, owing to oppression and disregard, they have disappeared, and rudeness and vulgarity have supervened.

"The Republic of China, with a territory of nearly 4.4 million square miles, possesses abundant natural resources, and the only reason to account for the present degeneration and lack of development is that public virtues have been neglected.

"We have a population of over four hundred millions, yet because we have neglected to cultivate our virtues, social disorder reigns, and most of the people lead a life far below that which they should enjoy.

"Therefore, we have to learn that, to correct personal and national failings we must fall back upon the influence of the old teachings. Rudeness and vulgar manners can be corrected by cultural and artistic training, and degeneration can be overcome by developing good personal character. It is difficult, however, to succeed merely through the ordinary processes of education and governance. If we are determined to reform we must start with the most fundamental question—we must reform our habits first. This, therefore, is why the New Life Movement is regarded as the key to the salvation of our Nation," said the promotor of the Movement.

Meaning of "Li," "I," "Lien" and "Ch'ih"

Although "li," "i," "lien" and "chi'h" had always been observed in old days, and had been regarded as the foundations of the nation, yet the changing times and circumstances may require that these principles be given a new interpretation. So the New Life Movement interprets the four virtues as:

"Li" means regulated attitude (mind as well as heart).
"I" means right conduct (in all things).
"Lien" means clear discrimination (honesty, in personal, public, and official life).
"Ch'ih" means real self-consciousness (integrity and honor).

The word "li" means reason. It becomes natural law, when applied to nature; it becomes a rule, when applied to social affairs; and signifies discipline, when used in reference to national affairs. These three phases of one's life are all regulated by reason. Therefore, "li" can be interpreted as a regulated attitue of mind and heart.

The word "i" means proper. Any conduct which is in accordance with natural law, social rule, or national discipline must be considered as proper. When an act is not proper, or when one thinks it proper but does not act accordingly, the act is naturally not right and therefore cannot be called "i."

The word "lien" means clear. It denotes distinction between right and wrong. What agrees with "li" and "i" is right, and what does not so agree is wrong. To take what we recognize as right and to forego what we recognize as wrong constitute clear discrimination. This is "lien."

The word "ch'ih" means consciousness. When one is conscious of the fact that his own actions are not in accordance with "li," "i," and "lien," he feels ashamed. When he is conscious of the fact that others are wrong, he feels disgusted. But the consciousness must be real and thorough, so that he will strive to improve the good and endeavor to get rid of the evil. Then we call it "ch'ih."

From the explanations given above, it is clear that "ch'ih" governs the motive of action, that "lien" gives the guidance for it, that "i" relates to an action actually being carried out, and that i" regulates the outward form of that particular action. The four are interrelated. They are interdependent upon one another in order to make a virtue perfect. Otherwise, "li" without "i" becomes dishonest; "li" without "lien" becomes extravagant; and "i" without "ch'ih" becomes flattering. All these may appear like "li" but really they are not. Similarly, "i" without "li" tends to be offensive; "i" without "lien," lavish; and "i" without "ch'ih," fantastic. All these are really not "i." Again, "lien" without "li" is false; "lien" without "i" is niggard; and "lien" without "ch'ih" is corrupt. They are not "lien." In like manner, "ch'ih" without "li" will be chaotic; "ch'ih" without "i," violent; and "ch'ih" without "lien," ugly. They are no longer "ch'ih."

"It would be a golden opportunity for traitors and sinners if the four virtues are perverted," says the promoter of the movement.

Rationalization of Life

In short, the main object of the New Life Movement is to substitute a rational life for the irrational, and to achieve this we must observe "li," "i," "lien" and "ch'ih" in our daily activities.

By observing these virtues, it is hoped that rudeness and vulgarity will be got rid of, and that the life of our people will be more refined in accordance with cultural and artistic standards. By art, we are not referring to the special enjoyment of the gentry. We mean the cultural standard of all the people. It is the boundary line between civilization and barbarism. In ancient times the Chinese knew the six arts (etiquette,music,shooting, driving, writing, and mathematics). It is a pity that most of us have neglected our own arts, for, as a result, we are somewhat behind the western nations in these fields of artistic achievement. A lack of artistic training is specially revealed in the prevailing social conditions today. Suspicion, jealousy, hatred and strife are symptoms of barbarism. To remedy these we have to emphasize art.

By observing these virtues, it is hoped that beggary and robbery will be removed, and that officials will be honest and patriotic, that corruption will cease, and that people will pursue more productive enterprises. The poverty of our nation is primarily caused by the fact that there are too many consumers and too few producers. Consequently, many people have to live like parasites. To remedy this we have to emphasize the four virtues, and we have to make people work harder and spend less, and the officials must be honest. This was the secret of success of the two ancient kingdoms Ch'i and Ch'u. It is also the primarily the cause of the strength of presentday Italy and Germany.

By observing these virtues, it is hoped that social and official disorder will be remedied, and that people will become more military-minded. If a country cannot defend itself, it has every chance to lose its existence. The larger its territory, the more attractive it looks to the invaders. There is only one way for national salvation—that is, to promote the economic stability of the country and develop the patriotic and fighting spirit of the people. The promoter further pointed out that the communists are not yet completely suppressed and our territory is shrinking every day in the face of foreign invasion. In order to pass through this crisis successfully, we have to pacify the interior and resist external aggression. To do this we have to rely upon force. Therefore, our people must have military training. As a preliminary, we have to acquire the habits of orderliness, cleanliness, simplicity, frugality, promptness and exactness. We have to preserve order, emphasize organization, responsibility, and discipline, and be ready to die for the country at any moment.

In conclusion, the promoter of the movement says that "the life of the Chinese people will be more refined when we have more artistic training; we will be richer when we are more productive; and we will be much safer when we are more patric ic and better trained and equipped to defend ourselves. This rational life is found on 'li', 'i', 'lien' and 'ch'ih.' The four virtues, in turn, can be applied to food, clothing, shelter, and action. If we achieve this, we have revolutionized the daily life of our people, and we have laid the solid foundation for our nation".

Works of 1935 Reviewed

It has been two years since the inauguration of the Movement. The whole Chinese Nation spent the whole day—February 19—to celebrate the Anniversary of the Second Year of the Movement.

In a brief statement issued on said day, the promoter reviewed the work of the "New Life Movement" during 1935, and pointed out that despite the fact that workers of the Movement during the past year numbered no less than 100,000, the result accomplished in promoting the Movement was not as satisfactory as was expected. The promoter also said that though posters, slogans and handbills on the tenets of the Movement were seen almost everywhere he visited, but concrete results were not correspondingly conspicuous. With the exception of a few places, even two simple things as orderliness and cleanliness were conspicuous by their absence, especially in urban cities. In conclusion, the promoter called upon the educated class, the upholders of public law and those in high government positions of the country to take an active part in assisting the common people to realize the Movement which concerns the welfare of not only a few but the entire people of the nation.

The Nation-Wide Celebration of the Occasion

The celebration started at 7 o'clock in the morning of February 19 in Nanking when the Central Broadcasting Station sent out a message on a nationwide hook-up announcing the beginning of the

smart PEOPLE PROTECT THEIR EYES

POOR LIGHT IS THE INDIRECT CAUSE OF MANY COMMON ILLS . . . HEADACHE, INDIGESTION, NERVOUSNESS . . . . . AND THE DIRECT CAUSE OF THAT TRAGEDY OF MIDDLE YEARS . . . . . PARTIAL BLINDNESS . . . .

PROTECT YOUR EYES BY PROPER LIGHTING

OUR REPRESENTATIVE WILL BE GLAD TO CALL WITH A LIGHT METER TO TEST THE LIGHT IN YOUR WORKING AND RECREATION ROOMS —WITHOUT COST OR OBLIGATION.

SHANGHAI POWER COMPANY

Head Office, 95 Nanking Road Tel. 11010

celebration. Immediately following the announcement, the broadcast of a series of "New Life Songs" rendered by the Glee Club of the Ginling Women's College took place.

Flowery "pailous" adorned the entrance of all the government offices, and all local dailies published special supplements on the history and significance of the Movement. One singular feature of the day's celebration was the general display of Army planes, motor vehicles of all descriptions, radio transmitters and receivers which were used as media for an enlarged publicity campaign.

During the same morning, in a spacious and well decorated hall for the occasion (Officers' Moral Endeavors Association in Nanking), and in the presence of no less than 5,000 people, including government officials, party members, representatives of various public organs, business-men, students, and many high dignities, such as His Excellencies Lin Sen, Chairman of the National Governmet, General Chiang Kai-shek, etc., a meeting was held to commemorate the occasion. His Excellency, the Chairman of the National Government, in a brief speech, laid special emphasis on the close relationship between the principles of the New Life Movement and the Principle of People's Livelihood of the Three People's Principles of Dr. Sun Yat-sen, and pointed out that the enforcement of the former is the enforcement of the latter. Then General Chiang Kai-shek delivered a long speech on the "Outline of the Purposes and Works of the 'Second Period' of the New Life Movement."

According to the promotor of the Movement, the escential activities for the promotion of the Movement are:

1. To awaken the people to be alive again after the "death" of yesterday;
2. To inspire the spirit of seeking for reality and truth;
3. To teach the people to be the models of others; and
4. To be sincere in mutual co-operation.

According to the same promoter, the "meaning" of the movement is that: First, it is a movement for the rejuvenation of the Nation, having the belief in the principle that the destiny of a man is after all made by man himself. Secondly, it is a movement of social reconstruction to live up to the principle of universal brotherhood and for the happiness of all.

"Christian General's" Support

General Feng Yu-hsiang, popularly known as the "Christian General" delivered a speech in which he laid special emphasis on the "simplicity of life." The General pointed out that the productivity of the Chinese people is very low, yet the comsumption of the Chinese people is very high when the people all live up to a "compradore's," or a "foreign diplomat's standard." The same General launched a bitter attack on the "luxurious life" of the people in Nanking, pointing out the contrast between the simple dinner given to him by General Chiang Kai-shek where only two dishes and rice were served whereas costly dinners are usually given at other entertainments.

In a special supplement column, in the Nanking dailies, the Christian General wrote the followings words:—

"The New Life Movement is to preserve the Chinese virtues. Smoking, drinking, prostitution and gambling are among the many evils which are not tolerated by the Chinese virtues, and are the cause that accounts for the physical weakness of the people and for the humiliation of a nation having 400,000,000 people by another nation having only 60,000,000 peole. Though this is not the only cause, it is, nevertheless, one of the causes of the national crisis. Our comrades must take this as a mirror, so that there will be one day for the rejuvenation of the Nation." (Signed by Feng Yu-hsiang.)

Three-Day Inspection—"No Smoking for Three Days"

Another three days beginning from February 20, were spent for inspection and examination purposes. According to one of the "postulates" of the New Life Movement, smoking is not permitted. So during these days of inspection, the government employees have to stop smoking, at least for these three days.

The Program for the Third Year

While General Chiang Kai-shek, in his speech, has already pointed out some of the essential activities in the outline of the works for the "second period" of the movement, the following is the outline of the working program as prepared by the Headquarters of the New Life Movement, now in Nanking:

1. Rigid training of the workers for the promotion of the New Life Movement as well as the members of volunteer corps.
2. Rigid enforcement of the examination system of the workers for the promotion of the New Life Movement.
3. Enforcement of the merit system of the government employees for the promotion of the New Life Movement.
4. Concentration of efforts, and allocation of the working centers, to be decided in accordance with the local situation, for the realization of the working program.
5. Important works of the Year:—
   (*a*) Promotion of the training and organization of the people in self-defence.
   (*b*) Giving of assistance to the Movement of the Economic Reconstruction of the People.
   (*c*) Generalization of the movement of social education including the movements of disciples and hygiene.
6. Extension of activities from cities to rural districts.

Nanking, February 21, 1936.

Soviets Agree to Border Investigation Commission, But Japan Now Objects

A 46-page pamphlet recalling the Russo-Japanese War issued by the Tokyo War Office Feb. 20 pointed out the differences in conditions and relations between Japan and Russia in 1905 and 1936, but stressed that Russia is now pursuing the same aggressive policy in the Far East. The methods employed by the Soviet authorities, it was stated, are more skilful and more thorough than those employed during the reign of the late Tsar. Furthermore, the document added, Great Britain and the United States, friends of Japan in 1905, are now envious and hostile to Japan's mission in the Far East.

Speaking at Habarovsk, Feb. 25, the commander of the Far Eastern Red Banner Army, Marshal Blucher, issued an order to the Special Far Eastern Red Banner Army, stating: "The Red Army is a formidable force, invincible and standing on the Soviet frontiers defending the happy and joyous labor of workers and peasants. The Soviet Government firmly and steadily is conducting a policy of peace, but world imperialists, plunderers and fascist generals of the west, as those of the east, are continually whetting their knives against the fatherland of the workers of the entire world. In 1929, while Chinese generals, at the order of world imperialists, attempted to feel the might of the Soviet Union, but ran against sharp bayonets. However, this was insufficient for our enemies. The menace of a military attack once more hangs over our Far Eastern frontiers. The Special Far Eastern Red Banner Army must, as never before, be on the watch."

Soviets Agree to Investigation Commission for Jan. 30 Border Incident

Through the medium of Vice Foreign Commissar Stomoniakov's recent diplomatic talks with the Japanese Ambassador, T. Ohta, the Soviets (according to a *Havas* message from Moscow February 23, and later confirmed from other sources) has agreed to waive her claim for a third and neutral commissioner of foreign nationality on the Soviet-Manchurian committee entrusted with the settlement of the frontier incidents between "Manchukuo" and the U.S.S.R. M. Stomoniakov and Mr. Ohta both agreed to the creation of a commission including an equal number of Russian and Japanese-Manchurian representatives, its exclusive task to be the investigation of the Grodekova affair on January 30, when mutinous Manchukuo (Mishan garrison) soldiers took refuge in Soviet territory—and which the Soviets have so far refused to give up.

The Commission of investigation as planned by the Vice Foreign Commissar and the Japanese envoy would not be empowered to issue conclusions on its findings, but would only submit to Moscow, Tokyo, and Changchun the results of its inquiries. A foreign personality informed *Havas* that Moscow was so anxious to accentuate the present relief in the tension of Russian relations with Japan that it would not refuse to consider the withdrawal of part of the Russian garrisons from the Siberian border.

Commenting on the Soviet proposal to establish a triparatite fact-finding commission to investigate the Chinchangkow border clash on Jan. 30, a spokesman at Changchun Feb. 25 declared that Manchukuo was unable to agree to the terms outright. Manchukuo, he said, wants to have equal representation with the Soviet Union and Japan and is unwilling to participate in a commission where the joint delegates of Japan and Manchukuo will be of the same number as those of Soviet Russia. "Manchukuo is an independent nation and should have the same rights as the Soviet Union," he declared.

Moscow Offers to Mediate in Manchukuo-Mongol Dispute, But Manchukuo Demurs

Moscow's readiness to act as a mediator in the bitter border controversy between Manchukuo and Outer Mongolia was expressed to Tamekichi Ohta, Japanese Ambassador to Soviet Russia, by B. S. Stomoniakoff, Foreign Vice-Commissar, during an interview on Feb. 21, the former reported to the Tokyo Foreign office, Feb. 14. Mr. Stomoniakoff also expressed his Government's willingness to aid in the settlement of the frontier disputes between the two nations, if Hsinking agreed to the establishment of a joint Manchukuo-Outer Mongolian border commission, the report added. The Soviet official, Mr. Ohta reported, declared that during his recent visit to Moscow Mr. Gendun, the Ulan Bator Premier, had asked the Kremlin authorities to take steps to end the current controversy on the Manchurian border.

Mr. Stomoniakoff further reportedly declared that Outer Mongolia's proximity to Soviet Russia closely links them, and any threat to the security of the former vitally affected the latter. He however, declined to elucidate the exact relationship between the Moscow and the Ulan Bator Governments, Mr. Ohta's message said.

The Japanese Ambassador reported that he had informed the Soviet official that until this question was made clear, he would not be in a position to discuss Manchukuo-Outer Mongolian relations. He, agreed, however, to convey Mr. Stomoniakoff's views to the Japanese Government.

The reaction to the above suggestion from the Soviets was that Manchukuo was ready to form a joint commission to adjudicate border disputes with Outer Mongolia, but only provided Moscow is not represented. This idea was voiced at Changchun, Feb. 25 by a spokesman of the Foreign Office, who said, "We appreciate the Soviet offer of mediation in the Manchukuo-Outer Mongolian border disputes. We recognize the move as an evidence of Moscow's understanding of Manchukuo's and Japan's real views on the issue of the Outer Mongolian border," the spokesman declared. "My Government," he added, "has no other desire but to demarcate the vague border line, thus eliminating a cause of disputes. Moreover, we are anxious to establish and maintain diplomatic relations with Ulan Bator (Urga.) "Should a border commission be formed," he concluded, "the Outer Mongolian delegates would have to be selected by the Ulan Bator authorities, without Soviet participation in the work of the projected commission."

Gaimusho officials, commenting on Mr. Ohta's report, expressed resentment with Moscow's suggestion that Soviet Russia's relationships with Ulan Bator were of the same nature as those existing between Japan and Manchukuo. The relations between Tokyo and Hsinking, they said, were clearly defined in the Protocol of Sept. 15, 1932, which stated:

> "Japan and Manchukuo, recognizing that any threat to the territory or to the peace and order of either of the High Contracting Parties constitutes at the same time a threat to the safety and existence of the other, agree to co-operate in the maintenance of their national security; it being understood that such Japanese forces as may be necessary for this purpose shall be stationed in Manchukuo."

Gaimusho officials also pointed out that the question mainly concerned Hsinking and Ulan Bator, and that if Moscow intended to take part in the projected deliberations it would have to clarify its relations with Outer Mongolia.

Successful Celebrations of 18th Anniversary of the Red Army

The 18th anniversary of the founding of the Red Army was celebrated with great enthusiasm throughout the Soviet Union Feb. 24. Cities, plants, factories and collective farms held numerous solemn meetings, shooting competitions, sports and marches. *Tass* stated that everywhere those who spoke expressed their loyalty to the Party and the Soviet Government and their readiness at any minute to rise in defence of their Socialist fatherland.

Changchun Is Treated to a New Spy Scare

Japanese reports end of last week treated Changchun to a new "spy scare." Three beautiful women were said to have been "already despatched to Manchukuo and are probably heading for Changchun." They were said to have been sent to the new State by a certain foreign consul-general at Shanghai. Another consul-general of the same nationality, stationed in Harbin, was alleged to be "sponsoring spy-training centres for young Japanese, Chinese and Koreans."

Russian White Imprisoned for Smashing Soviet Emblem

V. D. Elshin, a Russian bill collector who recently smashed two cast-iron Soviet emblems of the local U.S.S.R. Consulate-General, was sentenced to one year's imprisonment in the Second Branch Kiangsu High Court Feb. 23 on a charge of malicious damage and insulting a foreign state. His offense consisted of smashing two cast-iron Soviet emblems of the local U.S.S.R. Consulate General several weeks ago. He was also ordered to pay $1 to the Soviet consular authorities for the damage he had done to the Soviet property. This White Russian was arrested by a Chinese constable of the Hongkew Police Station after he smashed the Soviet emblems with a hammer. He admitted the offence at both the police station and in court and declared he had been unemployed in China for a

TRAVEL BY

C. N. A. C. AIR-LINERS

For schedules refer to inside back cover of this magazine. For further information please apply to

China National Aviation Corporation

51 CANTON ROAD, SHANGHAI TELEPHONE 12955-4-3

number of years and that it was due to the pressure of the U.S.S.R. Government. The hammer with which he had smashed the Soviet emblems was borrowed from a Chinese passerby, the accused told the court.

Another incident of a similar character occurred last week when Domitry Listzoff, an unemployed Russian, threw stones and old iron at the emblem at the Consulate. His trial is pending in the same court.

Kaganovitch Inspects Siberian Line—Congratulates Workers on Double-Tracking

In a speech made at Habarovsk Feb. 9, Lazarus Kaganovitch, who is a member of the Soviet Political Bureau, Commissar of Railways, and a brother-in-law of Stalin, after inspecting Soviet railways in the Far East since the beginning of February, congratulated the railway workers on the completion of the double track across Siberia. He declared that the task was comparable with that of the original construction of the trans-Siberian line and as a result the Soviet Far Eastern communication system was able to meet all eventualities—even war. He declared that the U.S.S.R. was threatened with invasion, hence it was necessary for the workers to maintain an eternal vigil.

The visit of Kaganovitch is comparable to that made by Commissar Voroshiloff, Minister of War in 1931, following on the original invasion of Manchuria by the Japanese. Voroshiloff at that time ordered defense measures which resulted in the complete militarization of the Siberian frontier and the development of a submarine flotilla in Vladivostock harbor. The railways of Russia under Voroshiloff's management were, however, characterized by great inefficiency. The Russian newspapers commented at the time on the huge number of wrecks that had occurred and the large amount of locomotives and railway cars that were destroyed.

China's Inheritance Tax Scheme Nears Fruition

Formal procedure for the introduction of an inheritance tax in China was started in Nanking this week. A set of draft regulations containing some 30 articles was placed before the Executive Yuan at its regular meeting Feb. 25 for discussion. The Ministry of Finance, seeking to find new sources of revenue in preparation for abolition of interport levies and reduction of export tariff, is author of the draft.

To formally bring the tax proposal before the Executive Yuan, Dr. H. H. Kung, vice-president of the Executive Yuan and Minister of Finance, proceeded to Nanking to attend the meeting. Following the approval of the Executive Yuan, the regulations are to be forwarded to the Central Political Council and the Legislative Yuan for enactment.

The regulations provide taxes on all inheritances valued at more than $3,000. Properties bequeathed to public welfare and left by officers and men of the land, sea and air forces killed in action were to be exempted from the levy. The taxes are to be levied following an assessment of the value of the properties. Certificates are to be issued to the heirs allowing the inheritance following payment of taxes.

Japanese Allege Unfair Treatment in Bids for a Dredger at Chefoo

Instructions to make a protest to the Nanking Government over the unfair treatment alleged to have been meted out to a Japanese dredging firm by the Chefoo authorities were cabled from Tokyo Feb. 21, to Yakichiro Suma, the Japanese Consul-General in Nanking. A report from the Japanese Consulate in Chefoo stated that a contract for dredging the Chefoo harbor was awarded last month to the Foo Chang Company, but, before work could be started, the Dredging Commission announced the termination of the contract system, cancelling the Japanese firm's bid. Following this action, the Board contracted with a British firm for the purchase of a dredger in England.

Chao Mei-pa Joins Faculty of Cecilia Music School in New York

Clippings from American newspapers sent to Shanghai tell of the success being achieved by Chao Mei-pa, Chinese singer, who before proceeding to Europe and the United States, was instructor in music at the University of Shanghai, Shanghai Arts Academy, and director of many church choirs and choruses in China. In New York he was recently entertained by S. I. Hsiung, author of "Lady Precious Stream." Annie May Wong, well known actress, was among those present at the dinner. He recently joined the faculty staff of the Chinese Music School, New York City, teaching singing and chorus to both Americans and Chinese.

Japanese Government Party Wins in Elections

The Minseito, or Government Paaty, scored a definite victory in the Japanese elections held last week. Of the 466 seats in the new House of Representatives, the Minseito will have 205, which combined with those of the Showa-kai and Kokumin Domei, both pro-Government parties, will give the Government a working majority of fourteen. *Domei* stated that the outcome of the election is generally regarded as showing the unsuspected strength and vitality of party political opinion and independent thought. One revelation was the increasing wave of liberalism and the antagonism towards reactionary conservatism, which has been prevalent during the past few years.

While the result of the election has proved a bitter disappointment to supporters of the Seiyukai Party, which polled only 174 votes and which had been generally expected to triumph, one of the salient features was the spectacular success of the Social Masses Party. Owing to lack of funds, the latter put up only 30 candidates, but 18 of these were elected—many of them at the head of the polls. Their campaign for a clean election and the purification of politics was a considerable factor in the success of the poorly-financed Social Masses candidates, who thereby obtained a chance to show their strength not only in labor but also in intellectual circles.

The defeat of the Seiyukai's president, Dr. Suzuki, threatens to split the party wide open, as some of its members openly accuse T. Matsuno, Secretary-General of the organization of incompetence, while others demand the removal of Dr. Suzuki from his post. About 40 successful candidates are in danger of losing their seats, as the Home Office is investigating charges of irregularity in their election.

While sympathizing with the defeat of Dr. K. Suzuki, president of the Seiyukai, the Tokyo *Asahi*, in an editorial article stated that the setback of the Seiyukai is not accidental. The *Nichi Nichi* ironically said that the success of the proletarian party may be due not so much to the "Leftization of the people as to the Rightization of the proletarian party."

The *Asahi* considers that the "proletarian advance is proof that the voters, faced with the incapacity of the old parties, desire to inject a new atmosphere into the legislature. The proletarians outshone their rivals in getting in close touch with the electorate."

"Clean Election" Law to Be Revised

A *Domei* message from Tokyo Feb. 25 stated that Japan's "clean election" law was tested on Feb. 20—and found wanting. It did curb bribery, so official reports state. But it also kept the voters away from the polls, many say because the fanfare and wide publicity accorded the penalties provided by the statute, for those who resorted to illegal practices, created fears thas one could be arrested for simply casting one's ballot. Confronted with these results, the Tokyo Cabinet Feb. 25 decided to direct the Ministries of Home Affairs and of Justice to revise the law so that its provisions will be "more comprehensible and effective." According to complaints received from officials detailed to see that the law was observed at the last elections, its provisions are ambiguous and cause unnecessary hardship in some cases, while in others they are "beyond practical application."

Mr. Ikeda, Shanghai Man, Defeated

Two candidates with Shanghai records were unsuccessful. Y. Ikeda, vice-chairman of the Council of the Japanese Residents' Corporation of Shanghai, who ran on the Minseito ticket, was defeated by Seiyukai and Independents in Nagasaki prefecture. Rear-Admiral T. Uyematsu, who commanded the Japanese Special Naval Landing Party in 1932, also failed to be elected from Fukushima prefecture in his first political venture.

Dr. Minobe Seriously Wounded by Assailant, Whom Police Shoot

Dr. Tatsukichi Minobe, author of the constitutional doctrine that the Emperor of Japan is not the State but merely an organ of the State, was wounded by a would-be assassin in Tokyo Feb. 21 and taken to the Imperial University Hospital. One of two men who attacked Dr. Minobe in his residence at Kichishoji, a suburb of Tokyo, gave his name as Juso Oda. He said he was a lawyer by profession and a member of a well-known patriotic body.

Wounded in the left leg, Dr. Minobe shouted for help. His cries were heard by a police guard, who rushed into the house and fired at Oda, inflicting a serious injury.

The wound-be assassin was taken to the police-station and subjected to an examination. He is not expected to survive his wounds. The assailant, police officials said, formerly belonged to the reactionary Daito Sha, or the Big Sword Society. At the time of the attack, he was unemployed.

According to attending physicians, Dr. Minobe's wound will take about one month to heal. His condition was described as being "as satisfactory as could be expected."

Meantime, police revealed that the assailant carried a letter denouncing Dr. Minobe as a traitor.

It will be recalled that charges of having infringed the dignity and sacredness of the Imperial House were lodged against Dr. Minobe who was ordered to appear before the public prosecutor last September, Later, however, the charges were dropped when he announced his resignation from the House of Peers of which he was a member, and three universities at which he taught.

Sino-Japanese Trade Council Is Formed—Kenji Kodama Is Elected President

The Japan Economic Federation and the Sino-Japanese Business Society held a plenary meeting for the inauguration of the Council at the Industrial Club in Marunouchi, Tokyo, Jan. 27. Present at the gathering were Baron Seinosuke Goh, president of the Economic Federation, Kenji Kodama, president of the Sino-Japanese Business Society, and about 30 other sponsors of the project. Under the chairmanship of Baron Goh, the meeting was called to order and after a report on the proceedings votes were taken for the election of the officials for the new trade council. Kenji Kodama was elected president, Ichiji Iio, vice-president, Kenji Kodama, managing director concurrently, Kyutaro Kono, director, and Shoichiro Takayanagi, director.

Gen. Doihara Says Japan Rejects Idea of Monroe Doctrine for Asia

Major-General Doihara, head of the Japanese Military Mission in Manchuria, Feb. 17 utterly rejected any idea of a Japanese Monroe Doctrine when interviewed by foreign correspondents. "My ideas," he declared, "are not based on anti-foreignism. I do not insist on Asia for the Asiatics. My ideas do not mean a political or racial movement for self-determination."

Japanese Want "Open Door" in European Colonies

A Tokyo message Feb. 20 stated that negotiations for the adoption of the principle of the "open door" by the colonial possessions of foreign powers will be begun by the Gaimusho in the near future.

Officials of the Information, Commercial Affairs and Treaty Bureaus of the Gaimusho will meet soon to formulate the policy to be pursued by Japan, and also to consider the whole issue of the redistribution of the world's colonies.

Diplomatic circles in Tokyo agree that the redistribution of colonies and markets was not feasible in the present circumstances. They, however, emphasize that the "open door" principle could be adopted by colonies "without much difficulty."

The removal of trade barriers which now surround all colonial markets, the observers said, would substantially contribute to the world's economic recovery.

Japanese Loom Makers Turn to Export Field for Relief

Loom manufacturers of Isuikawa and Fukui prefectures are turning hopeful eyes overseas, as orders for machinery from abroad took up the slack in demand caused by the drop in domestic purchases. Contracts for 5,000 sets of looms, valued at Yen 1,500,000, have been signed with Soviet Government-operated rayon mills in Moscow, while other orders are expected from India, France, Argentina and Mexico.

Japan's Trade in Orient Shows Gain in January

Japan's trade with China, Manchukuo, Hongkong and the Kwantung Leased Territory during January totalled Yen 79,622,000, the Ministry of Finance announced in Tokyo, Feb. 18. Compared with the corresponding month of last year, the imports showed a gain of 34.2 per cent, while the exports gained 8.2 per cent.

Japanese Fishery Men Want Strong Policies

The adoption of strong policies by the Japanese Government in dealing with the Soviet Union over the revision of the Russo-Japanese Fisheries Treaty was urged by representatives of fisheries interests upon officials attending a round-table conference held in Tokyo Feb. 22.

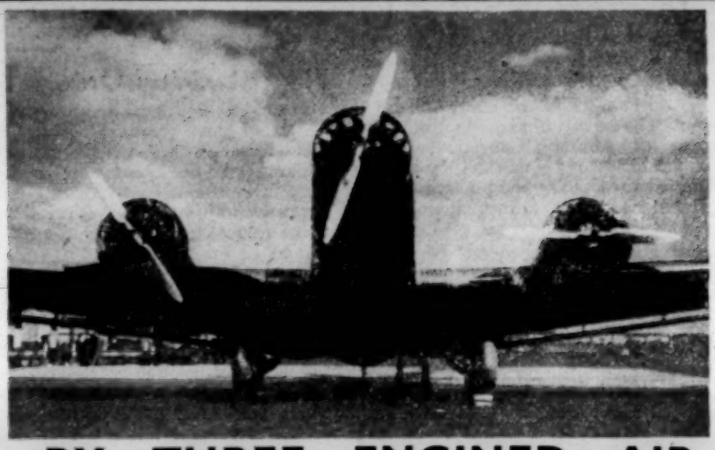
Rayon Trial in Japan Drags On

The 84th hearing of the Teijin (Teikoku Rayon) trial was held at the Tokyo District Feb. 18, Chief Judge Fujii presiding as usual. Mamoru Nagano, a director of the Teikoku Rayon Company, was examined on the breach of trust charge, the judge questioning him as to the buying of Teijin shares by Yoshinari Kawai, and also later developments in this transaction involving Hisajiro Muraji, of Osaka. The trial has now lasted eight months and the really prominent accused including Mr. Nakajima, former Minister of Commerce and Industry, Mr. Mitsuchi, former Railway Ministry, Mr. Kuroda, former Vice-Minister of Finance, and Mr. Okubo, former Chief of the Banks Bureau, have still to be examined.

At first, the judicial authortities thought that the trial would be over within about a year and-a-half, but due to the general retraction of confessions it is now believed the trial will last a good deal longer than that.

Japanese Rayon Manufacturers Decide to Curtail Output

Decision to raise the ratio of curtailment of production by ten per cent, thus bringing it down to 70 per cent of the entire output, was reached by the Japanese Federation of Rayon Manufacturers in Osaka Feb. 24. The reduced schedule of production will be in force between March 1 and June 30, but the



TRAVEL BY THREE - ENGINED AIR LINERS

to

NANKING, CHENGCHOW, SIAN, CHENGTU, PEIPING, LANCHOW,

arriving in one day, with connections to

NINSHIA, PAOTOW,

arriving on the next day of flying.

For full information please apply to

EURASIA AVIATION CORPORATION

Head Office: 97 Jinkee Road, Shanghai Tel. 15780

PASSENGERS MAIL FREIGHT

mills which find it impossible to curtail production immediately, will be allowed to operate at the present rate. Instead, a similar amount of rayon will be withdrawn from the market.

Earthquake in Western Japan Kills Three Persons

An earthquake shook the populous cities of Kyoto, Osaka and Kobe in Western Japan, Feb. 21. Communication with Tokyo was temporarily interrupted. Three persons were reported killed.

Japanese Professor Says Indians Take Deep Interest in Japan

Prof. Yone Noguchi, Japanese poet, who returned to Kobe, Feb. 24 from a three-month lecture tour of India, said the independence movement in India is dying. Prof. Noguchi said Indians were showing a deep interest in Japan, not only from a commercial viewpoint but from a cultural side as well and that a movement is on foot to organize an Indo-Japanese Cultural Association in Calcutta.

Japan Has Few Idle Ships

Next to Norway, Japan has fewer idle ships than any other nation in the world, the Japan Shipowners' Association reported, Feb. 24. The United States leads the list of countries with high percentage of idle merchant marine, with a fourth of her total commercial tonnage, or 2,395,000 tons, laid up. Great Britain's idle tonnage total is 795,000, or five per cent of her merchant marine, while the respective figures for Japan were 46,000 and 1.1 per cent.

Japanese Draft Budget Placed at Yen 2,295,000,000

A draft of the Japanese budget for the 1936-37 tiscal year, providing for the expenditure of Yen 2,295,000,000 was completed Feb. 25 by officials of the Treasury. The working budget, which exceeds by Yen 17,000,000 the regular budget whose approval by the Lower Chamber last month was blocked by the dissolution of the Diet, will be submitted for approval to the 69th extraordinary parliamentary session, opening on April 20.

The issuance of "red ink" bonds will be kept down to Yen 700,000,000. The original budget's estimate of Yen 680,000,000 was raised in view of a Yen 21,000,000 grant for the relief of sufferers from natural calamities.

Doihara and Okamura Are Promoted—Sugiyama Is Transferred

Notification of his promotion to the rank of Lieutenant-General was sent Feb. 24 by the War Office to Maj.-Gen. Kenji Doihara, Director of the Kwantung Army's Special Service Division, popularly known as the "Lawrence of Manchuria." The promotion involves an automatic transfer to another post, the nature of which has not yet been revealed. Maj.-Gen. Doihara earlier this month denied the reports that he would become a supreme adviser to the Hopei-Chahar Political Council. The reshuffle involves 12 lieutenant-generals and 36 major-generals, as well as a large number of officers below these ranks.

Maj.-Gen. Yasuji Okamura, Chief of the Second Bureau of the Army General Staff, who last year visited China on a mission to convey Japan's new policy towards that country to Japan resident officers, was also promoted to lieutenant-general.

Col. Seiichi Kita, chief of the Chinese Department of the General Staff, who visited North China and Manchukuo last month, was appointed major-general and ordered attached to the General Staff.

Col. Hiroshi Nemovo, Chief of the War Ministry's press section, who has also made a comprehensive tour of China in January, was appointed Commander of the 27th Infantry Regiment. It was generally expected that he would succeed Col. Kita at the head of the Chinese Department.

Former military resident officer in Shanghai, Maj-Gen. Yoshio Iwamatsu, commander of the 21st Infantry Brigade, was appointed to head the Formosan Defense Force.

Sanity of General Nagata's Slayer Becomes an Issue in the Trial

Gen. Jinzaburo Mazaki, whose transfer from the Inspectorate-General of Military Education to the Supreme War Council last August created a sensation, admitted Feb. 23 that he had received a summons to appear before the court martial trying Lieut.-Col. Saburo Aizawa for the assassination of Lieut.-Gen. Tetsuzan Nagata, Director of the War Office's Military Affairs Bureau, on Aug. 12.

Meanwhile, military and patriotic circles voice their resentment against an editorial published on Feb. 16 by the Tokyo *Jiji* which alleged that the Army, by keeping Lieut.-Col. Aizawa active service, was giving asylum to an insane man.

The editoral declared that "it is only natural that the personnel system in the Army, which permitted the presence of a person so likely to become unbalanced, should be criticized. If it is established that Lieut.-Col. Aizawa was demented, it will save the Army from the stain of having had a man in its ranks who murdered a superior officer while sane . . . First of all it is necessary to establish whether or not the man is sane or demented."

Gen. Mazaki, whose transfer from the Inspectorate-General of Military Education to the Supreme War Council, last summer in-

directly led to the assassination of Lieut.-Gen. Tetsuzan Nagata, Director of the War Ministry's Military Affairs Bureau, testified Feb. 25. Immediately on the convoctaion of the court martial, the hearing was declared in camera, and the few fortunate spectators who managed to gain entrance into the courtroom were ejected.

The highlights of the sitting on Feb. 25 of the court which is trying Lieut.-Col. Aizawa were: The refusal of Gen. Jinzaburo Mazaki, former Inspector-General of Military Education, to testify without the permission of the Emperor; a demand by the defense that the accused be submitted to a sanity test; a request by the defense for the issue of summonses to a former premier, a leader in high finance and a retired lieutenant-general.

Gen. Mazaki took the witness stand at the request of the defense. The hearing, which was held *in camera*, lasted until 11.45 o'clock, when the former Inspector-General, now a member of the Supreme Military Council, left the court visibly excited.

Major-General Sato is said to have asked General Mazaki to state the circumstances that led to his resignation on July 16 over an alleged disagreement with Gen. Hayashi, then Minister of War, over projected large-scale Army promotions and transfers. At this point, it is understood, the witness refused to testify, as above stated.

Censorship Hides Details of Military Coup

Strict censorship was clamped down on all cable and radio messages from Japan Feb. 26 as the result of political disturbances in Japan, the nature of which at that time were unavailable. Trading was suspended on the Osaka and Tokyo Stock Exchanges. A note to editors of the *Domei* service at 10.15 a.m. read: "An enquiry made with the *Domei* office in Osaka elicited the following reply: 'Cannot file. Home office safe.'"

Manchukuo to Have Three Field Marshals

Manchukuo's first three Field Marshals will be personally invested by Emperor Kangte in a ceremony at the Palace on Feb. 29, the Government announced in Hsinking, Feb. 24. The appointees are General Chang Ching-hui, Manchukuo Premier; Gen. Chang Hai-peng, Chief Aid-de-Camp to the Emperor; and General Yu Chi-shan, Minister of National Defense.

Sugiyama Postpones Trip—Prince Ails

Lieut.-Gen. Sugiyama, assistant chief of the Army General Staff, announced Feb. 24 that he would postpone his scheduled trop to Manchukuo and to North China until the middle of March. His action, he said, was caused by the illness of Field Marshal Prince Kotohito Kan-In, chief of the Army General Staff, who has been suffering from a cold at his villa, since the end of last year. Lieut.-Gen. Sugiyama originally intended to leave Tokyo on Feb. 20 on a one-month trip.

350 Japanese Emigrants to Settle in Mishan Area

A group of 180 emigrants arrived at Tsurugu, Feb. 25, and left the following day for Manchukuo, where they will settle in Mishan hsien, where Manchukuo troops mutinied on Jan. 29. Another batch of 170 men will sail for the new Empire on Mar. 1. To each emigrant the Overseas Ministry has made a grant of Yen 80.

Japan to Build Bridges Across Tumen and Yalu Rivers

Agreement for the construction of 18 bridges across the Tumen and Yalu Rivers on the border between Korea and Manchukuo are to be signed by Tokyo and Hsinking officials sometime in May.

Seven Koreans Who Allegedly Plotted in Manchuria to Be Tried in Dairen

The preliminary examination of a gang of seven Chosenese (Koreans) who plotted to create disturbances in Chosen and Manchukuo and were arrested by the Japanese police in Manchukuo in 1934, was concluded last week. The ban on the publication of the report was removed Feb. 20. The men will be tried at the Dairen local court. Subsequent to the independence of Manchukuo, Kin Genho, ringleader of the plotters, allegedly established a school for training Chosenese revolutionists in the Central Military School of Nanking, and dispatched the trained men to Manchukuo, supplying them with funds. Sai Gici landed at Dairen on May 24, 1934, and was arrested by the Dairen police when he was about to leave for Northern Chosen on May 27. Hen Shoyu landed at Antung on May 27, 1934, and was arrested by the Mukden police when he proceeded to Mukden the next day. An Seiyu left Nanking on June 24, the same year, and was put under arrest when he reached Mukden on July 2. Three other men were arrested in July at Yingkou, and one was arrested at Anshan.

The Japanese police authorities in Manchukuo had previously obtained a report that Chosenese revolutionists were making their way to Manchukuo and Chosen from Shanghai, and (according to the staff correspondent of the *Osaka Mainichi* at Hsinking) because they were on special guard in connection with the visit of Prince Chichibu to Manchukuo as the proxy of the Emperor, they were able to round up the plotters before they were able to do any mischief.

Nagami Gets Orders to Proceed to Tokyo

Colonel Toshinori Nagami, chief of staff of the Japanese forces in North China, departed for Tokyo Feb. 21 by plane on orders from Maj.-Gen. Hayao Tada, Commander of the Japanese Garrison. Although the headquarters of the Garrison declined to reveal Col. Nagami's mission, *Domei* learned that he will report to the Central Army authorities on the situation in North China. Col. Nagami transferred to a commercial plane in Manchukuo to continue his trip to Japan.

Shiro Nagai, East Hopei Adviser, Proceeds to Tungchow

Shiro Nagai, the newly appointed adviser to the East Hopei Autonomous Anti-Communist Government, proceeded to Tungchow, the capital of Yin Ju-keng's domain, Feb. 25. Before his appointment he served as the director of the General Affairs Bureau of the Heilungkiang Provincial Government.

Belgian Economic Mission to Manchukuo Arrives at Dairen

A Belgian Economic Mission to the Orient, headed by Rodolfe Van Loo, department store magnate, arrived in Dairen Feb. 25 from Japan. The three members of the group called on Yosuke Matsuoka, president of the South Manchuria Railway Co., as their first step in a projected study of the development of Manchukuo's economy and discussions with officials and businessmen on the ways to promote Belgo-Manchukuoan trade. Later the mission will proceed to Hsinking and Mukden.

At present most of Belgium's purchases of Manchukuo stales are done through Germany. Manchukuo buys annually about Yen 1,000,000 worth of Belgian products.

China Hong List for 1936 Now on Sale

The China Hong List for 1936 was issued from the press of the *North China Daily News & Herald Ltd.*, this week in its usual red cover, with an increased number of pages (911). It contains a wealth of details and covers a range of territory unsurpassed by any directory in the world. A little over half of the book is devoted to Shanghai, and the rest to about fifty other ports in China. The list of China Hongs contains not only the foreign firms but the principal Chinese concerns. Throughout, the systems of classification used are such as to facilitate the searcher for information in the highest degree. Firms are listed first in alphabetical order with their addresses, Chinese names, lists of employees and lists of principal agencies. Residents are listed alphabetically, according to their adresses, and also according to their places of employment. In addition they are once more listed in a street directory arranged alphabetically and numerically. There are separate lists for residents in Shanghai and in the outports; also separate lists for Protestant and Roman Catholic missionaries; and the missions themselves are once more listed according to location and denomination. There is besides a directory of trade-marks and agencies. Shipping, railway and diplomatic information is also provided.

The Directory sells for $10 (Chinese); with map, $11.

Japanese Make Gift of 2,000 Cherry Trees to Nanking

Two thousand cherry trees from Japan arrived in Nanking on February 21 and will be planted in various parks in the capital when the warm weather sets in. In a letter to Mr. Suma, Japanese Consul-General in Nanking, Ma Chao-chun, Mayor of Nanking, conveyed his deep gratitude to the Mayors of Tokyo and Osaka and the respective Chambers of Commerce, by whom the trees were presented to the Nanking City Government. Another shipment of 500 maple trees, a present of the Japan Maple Tree Association, will arrive from Japan shortly.

Russian Priest, Arrested by Japanese in Harbin —Later Released, Comes to Shanghai

The Rev. A. P. Philimonoff, a White Russian Orthodox priest, recently arrived in Shanghai, after having been arrested by the Japanese military police at Harbin last month, on a charge of being a spy for the Soviets. The clergyman, Japanese alleged, had traveled from Harbin to Dairen with the Cossack ataman, Gregory Semenoff, who is connected with Japanese Kwantung army, and tried to obtain information regarding plans for an early invasion of Outer Mongolia. He was later released and ordered to leave Harbin.

Mail from Shanghai Flown to England in Record Time of Eleven Days

The fastest time for the transmission of mails from the Far East to London was established Feb. 24, when correspondence which left Shanghai on Feb. 13 was landed at Croydon by a machine of Air France. Steps are being taken further to speed up transmission. The Shanghai letters delivered in Britain were conveyed by a Douglas Dolphin amphibian of the China National Aviation Corporation to Hanoi, whence they were trans-shipped to the regular Hanoi-Marseilles Air Mail service plane. Inaugurated on Feb. 13, this is the first direct airmail service from Shanghai to Europe, and is at present only a weekly affair.

Changes in Kaolan-Paotow Air Service Announced

The Eurasia Aviation Corporation announced this week that the plane on the Kaolan-Paotow line will fly from Kaolan to Paotow via Ninghsia once a week on the morning of every Wednesday at the same time as before, and fly back from Paotow to Kaolan via Ninghsia on the afternoon of the same day, one hour later than the original schedule.

Gen. Chen Ching-yun to Head Hangchow Aviation Academy

Major-General Chen Ching-yun, former Director of the Aviation Bureau, was appointed Feb. 18 by the Nanking "Cabinet" as principal of the Hangchow Aviation Academy, succeeding Colonel Chou Chih-jou, who was transferred to another post.

"China Clipper" on Second Flight Across Pacific

The *China Clipper* left Alameda, Cal., Feb. 22 for Honolulu and Manila in its second Westward trans-Pacific flight. Capt. Edwin C. Musick, who commanded the ship on her first flight to the Philippines, was at the controls. Raymond Quick, representing the U. S. Department of Commerce, was the only passenger.

British Bomber Falls Into Sea Off French Coast

Three members of the crew of a Royal Air Force bomber lost their lives as a result of the machine falling into the sea early Feb. 19 off Havre, France, while engaged in air exercises to test the effect upon control and intelligence of intensive operations under winter coditions.

President Roosevelt Stresses Importance of Intellectual Freedom

The importance of intellectual freedom was emphasized by President Roosevelt in an address in Philadelphia Feb. 22, when he accepted an honorary degree from Temple University. "True education," the President said, "depends upon freedom in pursuit of truth. No group and no government can properly prescribe precisely what should constitute the body of knowledge. Truth is found when men are free to pursue it. This belief in the freedom of the mind has distinguished us as a nation . . . "

American Police Chief in Puerto Rico Is Murdered

Col. E. Francis Riggs, chief of the Puerto Rican Insular Police, was fatally shot at San Juan, Feb. 23, by Elias Beauchamp, a youthful Nationalist leader, who was himself killed by police. The assassin was believed to have been motivated by a desire to avenge the killing of four Nationalists during a riot at Rio Pedras in October, 1935.

Thirty-Million-Dollar Program for Naval Station Construction

A Bill providing for a $30,000,000 program for naval station construction throughout the country, was submitted to the Senate Naval Affair Committee Feb. 22 by Senator Park Trammell (Democrat, Flosida), chairman of the committee.

Ford Company Will Exhibt in Own Building at Texas Centennial

The Ford Motor Company will be among the exhibitors at the Texas Centennial Central Exposition, to be held in Dallas from June 6 to Nov. 29. The Ford Company will erect its own exhibit building. It will be of steel, concrete and sheet rock, with a total floor space of approximately 55,000 square feet, of which approximately 40,000 square feet will be devoted to exhibits. One of the chief features of the Ford exhibit will be displays showing the use of raw materials of the Southwest in the manufacture of Ford, Lincoln and Lincoln-Zephyr cars. Among Southwestern products so used are cotton, mohair, wool, corn, cattle, soy beans, resin and rice.

Chinese Students Abroad May Not Marry

The Ministry of Foreign Affairs in Nanking last week made a ruling that Chinese students in pursuit of advanced studies in foreign countries cannot marry, after having before it the case of one Mr. Kuo (who is now studying in Belgium) who had fallen in love with a Belgian girl and applied to the Chinese Legation in Belgium for permission to marry.

A
TELEPHONE
(WALL TYPE)
IN YOUR HOME

NOW ONLY $6.50 PER MONTH

(Including 100 Free Local Messages)
No Charge for Incoming Calls

From March 1, you can have telephone service in your home at a lower cost . . . because base rates under the new message rate tariffs are lower.

An individual line wall type telephone costs only $6.50 per month (former cost $8.41); a desk type telephone is $7.00 (former cost $10.04). These new rates include 100 free local messages. Additional local messages are .03 each.

The cost of installing telephone service has also been reduced. The installation charge for an individual line is now $10.00; it used to be $15.52.

Now, more than ever, no home should be without a telephone. Order today from our Business Office (Telephone 94090) or any of our employees will be pleased to take your order.

SHANGHAI TELEPHONE COMPANY
232 KIANGSE ROAD

SHANGHAI IT'S TELEPHONE SYSTEM COMPANY

M. T. Mag 3-36

Nanking Threatens to Suspend University Allowances

AN intimation to suspend the remittance of monthly allowances to the government universities if the present student agitation continues unabated was made by Dr. Wang Shih-chieh, Minister of Education, in an interview with a representative of the *Ceneral News Agency* in Nanking, Feb. 25. When necessity demands, Dr. Wang declared, the most drastic step will be taken even if it means the temporary closing down of the institutions of higher learning in question.

The Ministry of Education, Dr. Wang added, is taking a grave view of the student disturbances in several cities, notably Peiping and Tientsin, which involve threats to members of the faculty as a means of dodging term examinations.

To check the unruly activities of the student instigators, Dr. Wang stated, the Ministry has already ordered the school authorities concerned to adopt stern measures against unscrupulous elements on the campus.

Action as above intimated followed a week of hectic confusion in the educational institutions of North China.

More than a hundred students, including several girls, and a middle school teacher, had been arrested since the promulgation last week by the Nanking Government of emergeney measures for the preservation of peace. Forty-three of the students were taken into custody at the Northeastern University, which had been transferred to Peiping after the Japanese occupation of Mukden. All those arrested were subjected to close examination.

Meanwhile, class work at Tsing Hua University is suspended as the professors refuse to withdraw their resignations unless the students cease their agitation against the the semi-annual examinations. All efforts to induce the students to sit for the examinations have failed.

At a meeting of the student body Dr. Mei Yi-chi, the Chancellor of Tsing Hua University, declared that, if the examinations were not taken, the students must transfer to other schools.

The Student National Salvation Asscciation, whose members invaded the conference room of the professors on Feb. 19, thus precipitating an *en bloc* resignation of the faculty, has been repudiated by 450 students of the University.

These students have organized an association for the protection of the University and have issued a manifesto, saying that the National Salvation Association is an illegal organization and has no right to speak for the whole student body.

It is learned that, apart from the demand that they be exempted from the examinations, the members of the Student National Salvation Association demanded the introduction of an "emergency" curriculum, which includes such courses as the history of the World War, Sino-Japanese relations during the last 50 years, the evolution of Nanking, and national defense engineering, but which would eliminate all such basic and required subjects as English, Chinese, mathematics, physics, chemistry and political science.

The teachers feel that, if this program were accepted, the purpose of high education would be defeated.

Executive Yuan Would Prohibit Activities of Students

The Executive Yuan at Feb. 21 ordered the Education Ministry to prohibit the activities of the Peiping and Tientsin Students' Union on the ground that the union is dominated by a few agitators. The latter were alleged to be secretly plotting student disturbances.

Expulsion of student delegates who participated in the educational conference called by General Chiang Kai-shek in Nanking last month, appears to be the order of the day in the student world in Peiping, according to *Reuter*.

The Student Union of the National University of Peking met Feb. 18 and passed a resolution expelling Messrs. Yang Hsi-kun and and Li Shou-chuan, the two Peita student delegates to the Nanking conference, from the University. The students also decided to issue a circular telegram to the universities throughout the country, urging them not to admit the two students.

After the meeting the students marched to the dormitories of the two students and destroyed their books and the furniture in their rooms. The meeting discussed the dispute between Professor Yang Li-kun of the National Normal University and the Peiping Student Union and decided to take the side of the latter.

Following the example of the Peita students the students of the National Normal University expelled four students who are alleged to have "betrayed" the union by attending the recent educational conference in Nanking. The expelled students are Wan Fu-tseng, Chang Kwang-tao, Chang Chow-hsun and Sung Kong. Their rooms, however, were not raided. Three Tsing Hua students have addressed a strong protest to the Peiping Student Union. taking exception to a report in a recent issue of the union's daily, in which they were described as Chinese traitors.

Five students were arrested in Peiping Feb. 21 as a result of a clash with the police at the local Chungkuo University. The clash occurred at about 4 o'clock in the afternoon when police arrived at the college premises to disperse a meeting of students from various schools. In the course of the clash, every entrance of the College was heavily guarded by police and those desiring exit were subject to strict search.

As a precautionary measure, police are guarding the vicinity of Chungkuo College. Meanwhile, class work at the National Tsinghua University is still in suspension despite efforts made by the student body to persuade the faculty members to withdraw their recent resignations.

Dr. Chang Po-ling, President of Nankai University in Tientsin, arrived in Peiping Feb. 22 to attend the meeting of the North China Agricultural Co-operative Enterprise Committee. Interviewed, Dr. Chang denied the report that Nankai Middle school will establish a branch at Chungking. He said that he is making preparations for establishing another middle school in Szechwan and that the projected school will be an entirely new institution.

The National Government Feb. 20 issued a set of emergency measures, which among other things provides that any one found to be doing propaganda work aiming at "criminal acts" in the form of either writing, or pictures or lectures or with any other methods shall be arrested on the spot and if he resists he shall be brought under control by force or any other effective means. Meetings and parades which aim to violate peace and order and to instigate the people shall be dissolved by the troops or police responsible and the ringleaders and any one who resists dissolution be arrested.

Greater Wu-Han Municipality Makes Great Strides Under Governor Yang

The *Central News Agency* says the Greater Wu-Han Area, industrial, business and political center of Central China, is making such strides under the guiding hands of Governor Yang Yung-tai, of Hupeh, that it may rival Greater Shanghai in the near future.

Comprising Wuchang, capital of Hupeh, Hankow, the great Yangtze trade mart, and Hanyang, site of Hupeh's heavy industries, the Greater Wu-Han Municipality, when created, will be a great boost to the commercial and industrial development of Central China.

Generally recognized as an important official and commercial center on the middle course of the Yangtze opposite the foreign settlement of Hankow, Wuchang, with a population estimated at 750,500, boasts of a host of government offices and educational institutions.

As the starting point of the Canton-Hankow Railway and as an important river port of call, Wuchang handles a large tea and cotton cargo annually. It is not too much to say that this city is the political, educational as well as communication center of Central China.

Taking cognizance of Wuchang's strategic importance, Governor Yang further visualizes the capital of Hupeh as an ideal residential town. This is all due to the natural beauty which envelopes the city and the mild climate which nature bestows upon it. As a first step towards the realization of his Greater Wu-Han project, Governor Yang has instructed the Wuchang city council to introduce municipal improvements in Wuchang. Originally a non-commercial city, Wuchang has suffered to no little extent during recent years from flood catastrophes. Contrasting the rapid municipal progress of Hankow, this city is lagging far behind.

According to plans now formulated, particular attention will be given to road-building in Wuchang. Attention has also been given to the readjustment of the power administration in Wuchang. According to the tentative scheme, a new power plant will be constructed in the near future.

Japanese Say "Foreign" Oil Companies Disturb North China Market

The Tokyo *Yomiuri* (Jan. 12) stated that the three foreign oil companies, Standard-Vacuum Oil, Asiatic Oil and Texas Oil, which were ousted from Manchuria by the Manchukuo Oil Monopoly Law, have schemed jointly to monopolize the North China market in retaliation for the Manchurian trouble and are now making desperate efforts to prevent the advance of Japanese oil.

Acting Consul-General Tajiri at Tsingtao reported that these foreign oil companies are dumping their wares in certain places to check the advance of Japanese oil and Soviet oil. As a result the taxi industrialists in Tsingtao, for instance, have been hard hit and they are about to start a movement for having the oil prices lowered.

British China Company Law to Be Amended

The draft of an ordinance to further amend the Companies ordinance 1932 was published in the *Hongkong Gazette* last week. The object of the new amending Bill is to add a further paragraph which will restore the former priority of local rates in the case of China Companies and Hongkong China Companies, which are defined in section 348 of the principal Ordinance. This special provision is limited to China Companies and Hongkong China Companies. Such companies, though registered in Hongkong, carry on their business within the limits of the China Order-in-Council and, for reasons of jurisdiction and otherwise, receive special treatment under the Companies Ordinance.

THE GIST OF JAPANESE PRESS OPINION

Raids on gangs and clean elections are the two accomplishments of the Okada Ministry. As for the latter, however, the Government ought to have more definitely made it known to the citizens at large that traffic in votes is a serious vice. The move for clean elections should be continued.—*Tokyo Hochi.*

That no less than 30 per cent of the qualified citizens relinquished their right of voting in the general election held on February 20 is not only a disappointment but a matter for serious reconsideration for all. For the phenomenon indicates the dissatisfaction people feel at the existing politics.—*Tokyo Chugai.*

The apparently growing difficulty in the digestion of the South Manchuria Railway Company debentures presents itself now as a decidedly serious problem not only to the Company and Manchukuo, but to Japan as well. Manchukuo depends upon the S.M.R. Company for its national construction funds and as such cannot but suffer from the effect of the difficulty the Company is experiencing in getting its debentures properly digested.—*Osaka Asahi.*

Pessimistic views are ventilated among the enterprisers concerned as to the future of the Soviet-Japanese fishery negotiations, which are now in deadlock because of the Soviet disregard of the Japanese demands. Both Powers must, however, know better now, in view of their Manchu-border troubles.—*Tokyo Jiji.*

Soviet inconsistency is apparent when they concentrated their troops on their Far Eastern borders and at the same time advocated the conclusion of a non-aggression pact. The Moscow Government must be expected to agree to Japan's proposal for demarcation to prevent further disputes.—*Tokyo Jiji.*

The Japan Spinning Association has adopted a plan to organize a spinning industrialists guild, and also a committee for control of spinning products for export. Such policy of control is necessary with all branches of industry, but must be so enforced as to avert internal competition.—*Tokyo Asahi.*

As against the recent anti-Japanese Congress speech by Senator Pittman, another Republican Senator is reported to have addressed Congress in favor of American-Japanese friendship. This comes to us as a considerable relief and we hope and trust that all America will reconsider it.—*Tokyo Miyako.*

The foreign trade of Manchukuo had been increasing in volume but the latest tendency is towards a decline. This is mainly due to the interrupted intercourse between China and Manchukuo. Even in this respect alone Japan must try to improve the relationship between the above two Powers.—*Tokyo Asahi.*

Japanese Naval Authorities Survey Taku

In order to develop Taku into a Japanese naval and commercial port, the Tientsin Office of the Japanese naval authorities at Port Arthur, is surveying the port. A motor road will be built connecting Taku and Tientsin. The entire work will cost $500,000.

This action on the part of the Japanese naval authorities is due to the difficulty of deepening of the Peiho (River) connecting Tangku and Tientsin to facilitate large ships to go directly to Tientsin. The Shanghai *Shun Pao* points out that with the construction of the Taku harbor and the motor road leading to Tientsin, the Japanese will overcome the transportation problem in time of war. The creation of the port will further facilitate the cooperation between the Japanese military and naval authorities in North China.

Rear-Admiral Hideho Wada, Commander of the Port Arthur Naval Station, arrived in Tientsin Feb. 5. He was accompanied by Commander Ohnishi, Chief of Staff attached to the Naval Staff, and Lieut.-Commander Koseki, his A.D.C.

Japanese Admiral Abandons Overland Trip to Amoy As Bandits Raid Busses

Rear-Admiral Shiro Takasu, director of the Third Bureau of the Japanese Naval General Staff, returned to Foochow at noon of Feb. 25 from a hastily-abandoned trip to Amoy. Chinese officials had prevailed upon him against a continuation of the journey because of bandit activities. The visiting officer had arrived in Foochow on Feb. 21 from Shanghai. He left Foochow at 7.30 o'clock a.m. Feb. 25 for Amoy by motorcar accompanied by Lieut.-Commander Hiromitsu Ikeda. They turned back, however, at a point about 3 miles from Foochow on the banks of the Wulungkiang River, where two busses had been held up and looted during the previous afternoon.

Rear-Admiral Takasu cancelled his projected visit to Amoy entirely and sailed for the south by the *s.s. Haining* at noon the following day.

For Fast and Efficient Radio Telegraph Service to all Parts of the World Send

RADIOGRAMS

"Via RCA"

RADIO IS THE QUICKEST AND MOST RELIABLE MEDIUM FOR ALL TELEGRAPHIC COMMUNICATIONS. IT HAS BROUGHT ABOUT RATE REDUCTIONS AND INAUGURATED NEW CLASSES OF SERVICE TO MANY COUNTRIES....

In CHINA file your messages

"via CGRA—RCA"

(Chinese Government Radio Administration
R.C.A. Communications, Inc.)

R.C.A. Communications, Inc.

(A Radio Corporation of America Service)

OFFICE :— 201-202 Sassoon House, Shanghai

TEL. NO. 19251

I. D. COD LIVER OIL with MALT EXTRACT

地球牌麥精魚肝油

海上五洲藥房發行

味美無醇 營養豐富

AN IDEAL NUTRIENT

INTERNATIONAL DISPENSARY
588 NANKING ROAD
SHANGHAI

C.P.C. Adopts Dr. Kung's National Recovery Program

The Central Political Council end of last week adopted the comprehensive program for national recovery through economic self-help, elimination of waste and extravagance, rationalization of domestic industry, unification and control of productive enterprises, promotion of arbitration between capital and labor, submitted to the 6th Plenary Session of the Central Executive Committee of the Kuomintang last winter by Dr. H. H. Kung, Minister of Finance.

The following are extracts from Dr. Kung's proposal:

"Our national territory is vast and our products abundant. Our power of natural production is indeed not inferior to that of European or American countries. In order that we may utilize our natural resources and accelerate the development of production, we must be diligent, persevering, and resolute; we must devise clear and intelligent plans, and instead of depending on others, rely solely on our own efforts. The Soviet Union and Italy are poorer than our country, but one of them is able to enforce its 5-Year Plan while the other is pursuing a policy of self-sufficiency. All this is possible only through the diligence, perseverance and thrift of their people, who, by concentrating their efforts on national productivity, have succeeded in bringing prosperity to their respective countries.

Japanese Efforts Praised

"Japan is diminutive in territory, and its people were poor. However, due to their heroic struggle, they have succeeded in transforming their country into an industrial and commercial world power. Though the methods employed by these countries are different, they have, however, each succeeded through self-reliance. At the present juncture when the world is in the throes of a severe economic struggle, our government should formulate and fix a program of productive reconstruction, and encourage and directs the people in its enforcement, for only thus can the national crisis be surmounted.

"Though the methods of productive reconstruction are numerous, they can be fully summed up in the general principle that the benefits of the land, the talent of the individual and the gifts of nature (natural resources) should each and all be fully utilized. By utilizing the benefits accruing from the land, we do not mean merely the cultivation of arable land; we must also reclaim undeveloped and so-called waste land, with a view to increasing the power of production. By utilizing the talent of the individual we do not mean merely to provide employment for the educated or occupation for the idle so that there will be no person in this country who is without work and none who merely "sits and eats"; we must also make one person do the work of two, and accomplish two days work in one, so as to reduce consumption and increase production, and attain the greatest result at the least expense.

"Primary and secondary education is the foundation of all education, and bears a vital relation to the livelihood of the people and the existence of the nation. Since we are striving for productive reconstruction, we should naturally regard the promotion of productivity as the aim of education. The curricula of middle and primary schools should pay particular attention to the imparting of knowledge and technique relating to production and give the students ample opportunity for practice, so that after their graduation they may immediately secure employment and become independent (financially). In this manner, the power of national productivity will be directly increased, while the people will form the habit of self-reliance.

Weddings and Funeral Customs Criticized

"The people in this country have always laid particular emphasis on etiquette and ceremonial. In their daily social intercourse, and especially at wedding and funeral ceremonies, they spend considerable sums of money. This wasteful custom and indulgence in extravagance should be promptly rectified. It is hereby requested that a set of measures restricting lavish expenditures for wedding and funeral ceremonies or ordinary social intercourse be formulated. Anyone violating these measures should be punished. Steps should also be devised to promote thrift and savings, so that money may be used for productive enterprises.

"With the development of industry in the various countries, a class struggle has arisen between labor and capital, to the detriment of both parties. In accordance with the bequeathed teachings of the late Party leader, our country is founded on the principle of national consolidation. No class struggle can therefore be tolerated. With the growth of industrialization in this country, however, the workers are gradually uniting. In order to prevent a struggle between labor and capital and to maintain the normal development of the domestic industries, the government should adopt a policy of labor-capital arbitration, impartial to both parties concerned. The capitalists should be required to give adequate wages to the workers, and provide necessary equipment in their factories (for the welfare of the workers), while the workers should also work faithfully for their employers, so as to enhance productive efficiency. If both parties concerned reach an understanding and work with cooperation and goodwill, each doing its utmost, the power of productivity will naturally be increased, and the cost of production reduced. Not only will the international market (for Chinese products) be improved, but disputes between labor and capital will also disappear automatically. The various provisions in the existing laws and ordinances relating to hours of labor and the standard of wages, which are inadequate, should be revised and made enforceable. Attention should also be simultaneously paid to such measures as labor-capital mediation, workers, insurance, workers' education and promotion of labor-capital cooperative enterprises. It is hereby requested that the detailed measures for the enforcement of this proposal be formulated by the Ministry of Industry.

Heavy Indsutries Urged

"The heavy industry is the mother of all industries. Its importance also exceeds that of all other industries. The late Party leader, in his essay on material reconstruction in the 'Fundamentals of National Reconstruction' (*Chien-Kuo Fang-Lueh*) advocated the immediate establishment of factories for the manufacture of farming implements. His idea is profoundly significant. The Soviet Union, in its first 5-year plan, also concentrated its attention on the manufacture of machinery, the light industries being relegated to a position of secondary importance. The Soviet Union has therefore succeeded in consolidating its industrial foundation, and its power of productivity has been immensely improved.

"The light industries have only begun to develop in our country in recent years. However, the machinery and metals required are generally purchased from abroad. Our industry is far from independent and is at the mercy of foreigners. Its future is therefore most precarious and a source of anxiety. In the interest of promoting the domestic industries special attention should therefore be paid to the development of the heavy industry.

In recent years, domestic industries have made some progress. However, due to maladministration, deficiency in technique or other defects, the cost of production is generally too high in competition with foreign industrial products. Manufacturers have also been forced to close down. The competent government organs should conduct an official investigation of the factories in the country. In case of discovery of any of the above-mentioned defects, the management concerned should either be instructed to make the necessary improvements or reforms, or the factories should be managed on their behalf, or the administration reorganized, so that the latter may be placed on a rational basis. In this way the cost of production will be reduced, the power of production increased and the sale of native products facilitated. It is hereby requested that the detailed measures for the enforcement of this proposal be formulated by the Ministry of Industry.

"From time immemorial, the men in this country have been farmers and the women weavers, equal emphasis being laid on farming and weaving. Most of the homespun cloth manufactured in this country is woven by women. With the importation of foreign cotton yarn, the domestic cloth industry has declined. The women have become consumers and do no work; they only know how to spend, instead of how to produce. In some districts, hair-nets, laces and embroideries are made (by women) and exported abroad, but the market is limited. These industries are promoted by foreigners, and the results are insignificant. Measures for the promotion of the domestic industries should be immediately formulated, and the people instructed and encouraged to organize domestic industrial co-opertive societies, so that more satisfactory results may be achieved through concerted effort.

Waste Land Must Be Used

"The arable land in China, according to statistics compiled by experts, amounts to 4,000,000,000 million mow, but the total area under cultivation at the present time amounts to only 1,500,-000,000 million mow. Though useful land lies idle, the people are unemployed and production reduced, with the result that we have to depend on foreign sources even for our supply of food and industrial raw materials. At the present juncture, we should not only increase the productivity of the land now under cultivation, but also conduct an official investigation regarding waste lands, so that the latter may also be utilized. Any waste land belonging to private individulas, if not reclaimed in three years, or if, even when reclaimed, yields no satisfactory result in five years, should be immediately taken over by the state.

Foreign Trade Suffers

"For many years past, our country has been suffering from a large adverse balance in its foreign trade. Unless this leakage is filled up, the national existence cannot be preserved. At the present juncture, steps should be immediately devised to balance imports and exports. The import trade should be placed under direct as well as indirect control of the government. Steps for its enforcement should be formulated on the basis of the trade relations between this country and the various countries concerned. Measures should be adopted to arrange for the enforcement of exchange by barter or by a quota system with the various foreign powers, while the Foreign Trade Bureau should be placed under the jurisdiction of the Ministries of Finance and Industry, so as to faciliate the enforcement of the above-mentioned project. With

regard to the export trade, uniform standards for commodities should also be fixed on the basis of commercial conditions, with a view to facilitating the sale of native products abroad. It is hereby requested that the Ministries of Industry and Finance be instructed to devise detailed measures for the enforecment of this proposal.

Unification of State Enterprises

"Control over the productive enterprises should be centralized. Not only, in this manner, can efficiency be improved, but the expenditure will also be reduced In.

"The system of conscription was once enforced in this country parallel with the system of taxation. For the promotion of public enterprises, the people used to be called upon to offer their labor for the service of the state. This is a very good idea. At the present moment, when the nation is engaged in the work of reconstruction, labor is required. Rather than increase taxation and the burden of the people, the government should enforce the system of conscription. However, those who are unable to do labor should be required to make a payment in cash, so as to equalize the responsibility of the people. The government is hereby requested to expressly provide that any ablebodied citizen, over 20 or under 55, should contribute three days' labor each year towards the promotion of national or local econstruction. Labor should be conscripted in seasons when the farmers are not busy with their own farm work."

Have Italy and England Agreed to Divide Ethiopia?

It was reported from Brussels Feb. 25 that a special envoy to London of Premier Benito Mussolini, in collaboration will the Italian Embassy, will open negotiations in the near future with a view to settling the Italo-Ethiopian dispute.

The specific terms of the plan reportedly include:

1. The cession of administrative authority over all un-Amharic districts to Great Britain, Italy and France, in return for adequate indemnities.
2. The indemnities would be paid to the League of Nations, in order to ensure interest payments on the Ethiopian loan. The loan is to be made for the economic development of the country.
3. Italy would receive the major part of the un-Amharic territories, that is practically the same areas as envisaged in the proposals made late last year in the Hoare-Laval conversations. The reason for this large grant is stated to be the length of the Italo-Ethiopian borders.
4. England and France would receive the land immediately adjacent to their present Africa possessions, in order to round out their territory.
5. Ethiopian sovereignty and security would be guaranteed by the League of Nations.
6. Ethiopia would receive mining royalties from the ceded territories.

British to Withdraw Naval Units from Mediterranean

Progressive withdrawal of British naval units from the Mediterranean is expected to take place shortly, as the period of acute Anglo-Italian tension is now over. The whole Far Eastern Squadron which had been sent to the Red Sea, was ordered back to Hongkong waters recently.

Italians to Support Chinese Evening Newspaper in Shanghai

The Italian community in Shanghai is collaborating to publish a Chinese language daily paper in Shanghai. It is to be known as the *Ta Hu Wan Pao*, and will be an afternoon paper. The paper is owned by a group of persons headed by Liu Ta, connected with a local Catholic mission. The paper has been registered with the local Italian Consulate-General and it has as its directors four Italians and three Chinese. The four Italian directors are Baron Levi Schiff, Dr. G. Costantini, M. Lochi and M. Ferrero, and the three Chinese directors are Messrs. Liu Ta-nyi, Liu Ta-wen and Li An-chao.

U. S. Navy Department Asks for 221,000 Tons of Auxiliary Craft

The U.S. Navy Department, in a statement Feb. 19, appealed for public support of its program to build 221,000 tons of auxiliary craft costing $175,000 000 At the meeting of the House of Representatives Naval Affairs Committee its chairman, Carl Vinson, asked the Department to rewrite the auxiliary bill, specifying the types of ships required. Rear-Admiral Joseph K. Taussig, Assistant Chief of Naval Operations, protested that to do so might tie the Department's hands if the present treaty authorizations were changed. Rear-Admiral Ernest H. King, chief of the Bureau of Aeronautics, urged construction of four aircraft-tenders to permit 100 huge flying boats to accompany the fleet.

Cross Yesterday . . . Happy To-day

And For A Very Good Reason.

Yesterday a whining, peevish baby; didn't want to play, didn't want to eat. To-day bubbling over with happiness and hungry for his meals. This is the experience of many a mother who uses Baby's Own Tablets to correct the little health troubles of her child.

How do the tablets work? They simply remove the excess bile and the intestinal poisons which upset digestion and irritate the nerves. Baby's Own Tablets are much more effective than ordinary laxatives or powders. They have a three-fold action—they stimulate the liver, cleanse the kidneys, and exercise the intestines... And what is most important they are entirely free from narcotics.

Baby's Own Tablets are easy to administer, because they taste nice, and, being in tablet form, accuracy of dosage is assured.

The next time your baby is cross, sleepless, does not want his food, has coated tongue, bad breath, suffers from colic, constipation, teething troubles, give him Baby's Own Tablets and see what a difference they will make.

Baby's Own Tablets.

Where Japan and Russia Clash in Asia

(BY UPTON CLOSE IN THE NEW YORK "TIMES" MAGAZINE, JAN. 5)

THE present vague line separating Communist Russia and the Soviet protege, Outer Mongolia, from Japan's new continental empire is today the longest unsettled border in the world. It lies between two vigorous nations whose populations are rapidly increasing; each believes in a great and prosperous national future and each regards itself as responsible for a great world mission. But the border between Japan and Russia is more than a danger line between two virile, growing powers. It is the real border between Europe and Asia, between newest East and newest West.

This border, along which Japanese and Russians and their proteges now clash and argue with one another, intrigue against one another and occasionally shoot at one another, is approximately 3,500 miles long. It passes through one of the least-known areas of such extent in the world.

It begins on the hard-gravel eastern end of the Gobi Desert, which separates the Russian-sponsored Mongols from their Japanese-sponsored kinsmen and follows the great Amur River, along which the old Czars settled their Cossack soldier communes —a thousand-mile stretch through rich valleys, timbered hills and marshy lowlands, constituting the most promising unexploited farming belt in the North Temperate Zone. Then it runs up the Ussuri River to its source in Lake Hanka and proceeds thence to the Korean border around once proud and now hopeful Vladivostok.

To this long boundary line must be added the eighty-mile border which cuts Sakhalin Island in two. Japan now wants—and needs—the oil and fish at both ends of the island. North Pacific seas fishing rights are in dispute between the Soviet fishing monopoly and the Japanese fishing industry controlled and staffed by the Imperial Japanese Navy.

Russia's border territory is squeezed between Japan's new continental empire and the tundras of the frozen north. It contains less than three persons per square mile. Probably less than a third of these have blood or race ties with European Russia. Another third consists of partly Russianized Mongol and Turk nomads, chiefly of the tribes known as Buriats. The final third consists of Korean and Chinese settlers and "wild" tribes known as Ainus (the aboriginal people of Japan), Gilyaks, Goldis, Fish-skin-wearers, and so on.

A Huge Prize at Stake

The great area is rich in lore. It was superficially conquered and settled about a hundred years ago by the Russians, who swept from Moscow 6,000 miles over the top of Asia. But there was no thorough follow-up of exploitation, Russian bureaucracy stifled adventurous spirits. When the railway came, built and run—at a loss—for political purposes, it did little to develop the area. Then, in 1918, began the fifteen-year period of disruption, foreign invasion, internal fighting, banditry and Chinese misrule.

The Japanese-Russian border conflict involves the mastery of a sub-continent, much as did the French and Indian War of early American history. Should this belt, tied to Moscow today only by slender steel rails, be pinched off, Japan would fall heir to the hinterland of Yakutsk—also that shoulder of the Asian Arctic reaching out toward Alaska. Japan would then have as much acreage in the temperate and arctic zones as has Canada.

Between Lake Baikal and the Manchurian border the Russian-settled area is several hundred miles broad. Here the Russian community has a certain amount of body, but its security is dependent upon events among the overshadowing Mongols. From here down to the junction of the Ussuri and Amur Rivers the Russian community is thin. Japanese and their subject Manchukuoans and Koreans gaze lustifully across the Amur at the richer northern bank and Japanese capital resents having only half a river on which to develop navigation.

Whenever a new sand bar or oxbowloop appears, both sides claim it. Ownership of hundreds of islands in the broad stream remains unsettled. Yet Russians consider this the most secure part of their territory and place their army and air bases along the river here rather than in the maritime province, which could be easily pinched between a Japanese Navy sailing from the Japan Sea up the lower Amur River and a Japanese Army on the Manchukuo border.

Japanese, from their side, look upon the maritime province as a "dagger pointed at their heart." It is the base for rival fishing enterprise and for potential rival shipping and naval power on the West Pacific. Historically and geographically it is part of the Manchurian seacoast, and the Japanese believe it must become so politically.

Botanically it is one of the most varied and interesting regions on earth. The north and the coast range mountains have splendid stands of untouched timber, easily accessible from the Pacific Ocean. They are the home of the tribes who hunt with bows and arrows and primitive rifles, live in bark huts and skin shelters and dress in skins. For two centuries they have been treated as ruthlessly as wild animals, first by Manchu and Chinese, and them by Russian trader, adventurer and outlaw. Today for the first time they are being brought into contact with a benevolent rule.

Up the Ussuri River and southward we come upon a string of rough board and log farming villages and primitive lumber milling towns populated a half century ago by "Little Russians" and named for their home towns in far-off Ukraine. Here was one of Russia's most progressive and alert colonies in the East until it was decimated and pillaged by the guerrilla bands of "partisans" who preyed on the country between 1917 and 1924.

Below the Ukrainian settlements and behind Vladivostok is a marshy area, an extension of the Korean jungle, where the summers are exceedingly hot and wet. Here is tropical verdure; and animals such as tigers abound in the latitude of our New England. Lime and cork trees reach a height of sixty feet, alongside North Temperate verdure such as yew, fir, cherry, pine, spruce and great mountain ash. Grass springs up in a few weeks higher than a man's head. Cleared and drained, this would be a splendid rice-growing area.

The Lure of Minerals

Along the low mountain ranges Soviet geologists have recently traced veins of iron ore hundreds of miles long. Japan's empire builders admit that iron is their "weakest spot." With its minerals, vacant land and sea wealth, the maritime province seems to hold for Japan all that she needed, but she took Manchuria instead. No wonder that a strong-headed group of young army men maintain that their superiors got the cart before the horse, and wish to correct this before it is too late.

But the most interesting, and touchy, sector of this great frontier is that occupied at its other end by the descendants of Genghis Khan. A renascence is sweeping over the remnant of these proud, sturdy horsemen who centuries ago scattered their blood over Asia and Europe from the Japan Sea to Vienna in a series of conquests under Genghis, Kublai, Tamerlane and the Moguls of India.

During the eighteenth and nineteenth centuries they were patronized and softened by their kinsmen conquerors of China, the Manchus. In the early part of the twentieth century they were threatened with extinction by the advance of Chinese agriculturists onto their plains. This threw them toward Russia. Soviet took advantage of their reawakened nationalism by sponsoring younger chieftains in the creation of the Soviet Mongol Republic of Outer Mongolia. This involved, however, the deposition of the Buddhist hierarchy and banishment of the older and conservative khans, who took refuge in Manchuria to bide their time.

The new administration seems to have provided a better life for the lowly herdsman, curbed the venality and vice of the priests and introduced modernism in the form of a few roads and schools. Trade of dairy products for agricultural and manufactured ones, which formerly profited Chinese merchants and officials immensely, now goes exclusively to Russia. Mongolia stands fifth or sixth on the Soviet's import and export lists.

But the disturbing fact confronting Russia is that Japan, by her swift strokes since 1931, and especially the quiet moves in Chahar, Suiyuan and Ningsha, has already brought under her influence and protection twice as many of the four million or more surviving Mongols as Russia can influence under the Mongol Soviet Republic. Japan has created a special Mongol province in Western Manchuria, largest in the new empire, to which the Chinese Mongol provinces of Chahar, Suiyuan and Ningsha are now added in all but name.

Japan recognizes the titles of the exiled chiefs from Outer Mongolia and arranges that they shall have what they need—for personal luxury and political machinations. As the only great Buddhist nation she favors the Mongol Buddhist church; as the re-establisher of the Manchu dynasty she invites the cooperation of the khans, who never foreswore their fealty. Japan is working up these Mongols to the pitch of a crusade for the rescue of Outer Mongolia from heresy and the re-union in glory of the Mongol race. She now demands the right to send her agents and establish her communications through the Soviet sphere of Mongolia.

Young Mongol officials who look toward Moscow flatly refuse, and have hurried to the Soviet capital to gauge how far Russia will go in their support. That is the core of the latest row.

From Barga, on the Siberian-Manchurian frontier, Japanese roads are feeling their way up the flat valley of the Kerulen River toward Urga, capital of Soviet Mongolia, which strategically dominates the bottle-neck—south of Lake Baikal—line of communication between Pacific and Eastern Siberia.

If the Russian front should collapse at this point, think the Japanese, they will not need to worry about the 200,000 Russian troops and 600 Russian airplanes down river. They envision the Soviet, outflanked, agreeing in time to face-saving sales of Northern Sakhalin, Maritime Province and the Amur Valley. But the Soviet is not yet ready to sell.

Senator Pittman's Speech—Reactions in Japan and China

(Summary of an editorial the "Capital Daily News," Nanking, Feb. 15)

The United States enjoys in the Far East, especially in China, a stronger economic position than any other Power. The statistics of American exports for the year 1935 show more than 60% as exports to China. Had there been no changes in the four Northeastern provinces and in North China, there would be possibility of further increase of American trade.

Not until Japan alone rejected Lytton's Report and withdrew from the League, did the United States feel that Japan today is not comparable with the Japanese Government of old days, when it returned Fengtien to China owing to the joint interference of three Powers, and that the United States can not regain the position it occupied as the initiator of the Portsmouth Treaty.

It was the selfishness of the United States that brought about its failure to interfere, thus allowing the invading Power to achieve great success. This was a mistake in the foreign policy of the United States. If the United States had seized the opportunity to support Geneva and London immediately following the restoration of Russo-American relations, the so-called "Power to maintain peace in the Far East" could not be accomplished and the situation in North China would not be as it is today.

On Feb. 9 (10) Senator Key Pittman, Chairman of the Senate Foreign Relations Committee, made a speech in the Senate strongly attacking Japan's activities in China. His wording was very severe and unprecedented. He failed, however, to formulate any measures to restrain the ambitious Power, but simply said "there is only one policy which is applicable, that is the Open Door Policy as specified in the Nine Power Treaty." The only objective of the United States is, therefore, to keep China's doors open. In other words, it has no interest in other questions than its trade with China. If only the privileges can be equally shared, the United States does not mind any injury to the sovereignty of China. From this, it may be seen that the foreign policy of Washington is still within the scope of the Monroe Doctrine. The speech of Senator Pittman is still a vague one as, in the eyes of the Japanese, the Open Door Policy has long disappeared. If there is no effective way to restrain Japan's activities, the doors of China will gradually be closed and the United States and even European Powers will be kicked out of the Far East.

(Summary of an editorial in "Hsin Min Pao," Nanking February 13, 1936)

Senator Key Pittman strongly attacked the policy of Japan towards China. The wording of his speech was severe and unprecedented. Not long after his speech was made, the Senator frankly said "We even may have to resort to war against Japan on this account." The breach between the United States and Japan, therefore, has been further intensified.

Any positive steps to be taken by the United States against Japan are entirely to protect American commercial rights in the Far East. The United States is unwilling to allow Japan to monopolize trade with China and to enforce a "Monroe Doctrine of East Asia." The only reason for the conflict between the United States and Japan is to strive for the market in the Far East. Formerly, Great Britain occupied the first position in Far Eastern trade. At the beginning of this century, this position was taken by Japan. Very recently, Japan's position was seized by the United States. (However, Japan has obtained the entire market in the Northeast. In the past few years, Japan enjoys the first position in exports to China).

Peace in East Asia depends upon whether China is willing to allow Japan to control its fate or whether it has the intention of defending itself. If China can strengthen itself and defend itself against foreign aggressions, the United States will undoubtedly lend support. On the contrary, if China lets things go as they are, Great Britain and the United States will jointly demand division of markets in East Asia, failing which they will finally resort to armed force. The mild foreign policy advocated by Hirota, however, is intended to show, on the one hand, that Japan has a special influence in East Asia and, on the other, to break the joint front of Great Britain, the United States and Soviet Russia against Japan.

The warning of Senator Pittman will cause Japan to change its foreign policy. In Europe and America, Japan will adopt a mild provocative policy to prolong the conflict between other nations and, on the other hand, to further expedite the accomplishment of its Continental Policy towards China. The final result will be a change of the "Open Door Policy" of East Asia to an apportionment of China's markets, or the Monroe Doctrine of East Asia will result in a second World War. This is, beyond any doubt, the natural drift of affairs.

Additional Chinese Newspaper Comment

The *Sin Wen Pao* (Shanghai) expressed deep gratification at the attack made by Senator Pittman against Japan and pointed

(Continued on page 472)

Enjoy the FULLNESS *of life*

LIFE is rich when you are radiant with health. Every task is performed with enthusiasm, sports beckon alluringly, smiles come easily. But don't become constipated. It is one of mankind's greatest hindrances to health. It undermines your whole system.

Two tablespoonfuls daily of Kellogg's ALL-BRAN will relieve constipation. For chronic cases eat it with each meal. The "bulk" in ALL-BRAN promotes appetite and its Vitamin B and iron make rich blood. It is a natural aid, not harsh or habit-forming like pills or drugs.

No cooking required. Serve direct from the packet with cold milk or cream. Your grocer sells ALL-BRAN.

CONNELL BROS. CO. LTD.

P. O. Box 342, SHANGHAI

Kellogg's
ALL-BRAN
the gentle, natural way to relieve
CONSTIPATION

58

CUSTOMS NOTIFICATION No. 1498

With reference to the Code of Customs Regulations and Procedure, Chapter V, § 11, Article V, the note appended to which provides for the issue by Chinese Consulates abroad of duplicate Consular Invoices printed on blue forms which may be used by merchants for purposes of reference or to serve as evidence of the issue of an Invoice in the event of the original Invoice being lost, the public is now informed that in future, in accordance with Government instructions:

(a) Duplicate blue Invoices may be used as evidence of the issue of an original Invoice, but they may not be used in lieu of an original Invoice.

(b) Merchants who have lost their original Invoice may present the relative duplicate blue Invoice to the Customs at the port of importation and obtain a surrogate Invoice on payment of the usual fee, no fine being inflicted.

H. O. Tong,
Superintendent of Customs.

Paul Barentzen,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 19th February, 1936.

In the United States Court for China

MANUEL NER PANGANIBAN,
Plaintiff,
vs.
CONSORCIA BELTRAN PANGANIBAN,
Defendant.

Cause No. 4018
Civil No. 1910
Filed at Shanghai, China, February 11, 1936
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS the plaintiff herein by his attorneys on the 10th day of February, 1936, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 11th day of February, 1936, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 10th day of February, 1936, Manuel Ner Panganiban filed an affidavit to the effect that the defendant herein was not residing in the Republic of China;

NOW, THEREFORE, it is this 11th day of February, 1936, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the Defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 2nd day of March, 1936, the day for the last publication of the Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT

MILTON J. HELMICK,
Judge,
United States Court for China.

CUSTOMS NOTIFICATION No. 1499

The public is hereby notified that in accordance with Government instructions the Customs will take G. U. 90 instead of G. U. 110 as the equivalent of $200.00 Chinese currency when deciding whether goods imported from abroad must be covered by a Consular Invoice, this new rate of exchange being applied to all goods shipped to China on or after the 1st March, 1936.

H. O. Tong,
Superintendent of Customs.

Paul Barentzen,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 20th February, 1936.

China's Customs Report for 1935 Shows Further Decline in Foreign Trade

The annual report on the trade of China for 1935, by J.M.H. Osborne, Statistical Secretary of the Inspectorate General of Customs, states that the total value of foreign trade shows a further decline of $70 million, or 4.5 per cent as compared with the previous year's figures. China's total foreign trade amounted to $1,495 million in 1935 as against $1,565 million in 1934 and $1,957 million in 1933. Net imports for the year under review reached $919 million, as against $1,030 million in 1934, and the net exports for 1935 amounted to $576 million, as against $535 million in 1934.

The report declares that "it is rather remarkable that in the year of the lowest depression to date in China the revenue collection should not have suffered more." This apparent anomaly is explained by the fact that during 1934 the tariff rates on many of the main imports such as kerosene oil and gasoline, raw cotton, machinery, metals, chemicals, timber, etc., were raised.

Late 1935 Revenue Drops

The total revenue collection for the year, including surtaxes, was $315,519,712, representing a decline of $19,125,696, or 5.7 per cent, from the 1934 total of $334,645,408. The revenue collection comprised the following items: import duty, $250,165,356; export duty, $20,731,524; interport duty and interport surtax, $13,207,545; tonnage dues, $4,320,601; flood relief surtax, $13,560,021, and revenue surtax, $13,534,665.

Of the larger revenue-collecting ports, Shanghai, with a collection of $149,127,439, contributed 47.26 per cent of the total revenue of all China, as against $175,363,474, or 52.40 per cent, for 1934.

U.S. Holds Trade Lead

America continues to dominate China's foreign trade, with Japan maintaining a close second. Taking the various countries individually, the order of importance is found to be the United States, Japan, Great Britain and Germany, with respective aggregate totals for their imports and exports of $311 million, $221 million, $148 million, and $132 million, respectively.

The report declared that political events in North China have militated against effective Customs preventive work, with the result that goods, chiefly artificial silk yarn, sugar and cigarette paper, were smuggled into the country in unprecedented quantities both by land and sea through that portion of the province of Hopeh which is known as a "demilitarized zone." This situation was aggravated in September by the virtual cessation of Customs preventive activities at sea opposite the stretch of coast between Lutai and Chinwangtao. This was brought about because of a demand that Customs armed vessels should cease to operate within three miles of the coast included in the "zone" and smuggling by sea from Dairen became uncontrollable in the districts concerned.

Details of Imports from America Into North China Through Tientsin

The following are the figures covering imports into Tientsin during the first ten months of 1934 and 1935:

	Imports, January to October			
	From United States of America		*Total from Foreign Countries including United States*	
	1934	1935	1934	1935
	(*In United States Dollars*)			
Kerosene oil	1,298,214	835,842	2,331,820	2,266,338
Gasoline, naptha and benzine	269,558	120,567	426,125	373,887
Lubricating oil	90,829	78,045	104,229	92,008
Timber, softwood	259,201	312,795	656,606	743,540
Timber, railway ties	436,322	209,632	608,244	275,184
Iron and steel rails	—	152,235	816,392	552,726
Iron and steel tin plates	247,709	176,468	394,334	336,711
Motor tractors and trucks	70,328	87,443	80,002	100,216
Motor cars and busses	187,475	171,178	204,622	191,744
Motor car parts and accessories	24,206	22,852	38,969	42,613
Tobacco leaf	447,441	47,219	485,302	50,163
Cigarettes	31,142	40,863	60,388	72,017
Electrical machinery	23,355	13,906	134,027	171,307
Prime movers and parts	15,278	58,705	304,585	137,961
Machinery and parts	143,141	112,251	633,549	811,697
Tools including machine tools	34,613	24,981	148,450	169,233
Wheat flour	—	307,969	56,210	390,788
Scientific instruments and apparatus	53,958	49,601	192,030	225,285
Telephonic and telegraphic instruments	243	15,947	19,994	47,503
Radio sets and parts	26,585	25,630	51,973	139,743
Miscellaneous metal manufactures	58,881	96,094	704,104	528,717
Books and music	77,804	56,030	258,031	212,863
Paper—common print and newsprint	21,625	77,077	741,102	794,011
Hides and leather	117,904	82,135	310,213	183,089
Raw cotton	12,427	19,230	396,804	19,261
Asphalt	12,682	22,255	32,258	36,375
	3,960,921	3,216,950	10,190,363	8,964,980

Who's Who in China

蕭振瀛字仙閣
General Hsiao Cheng-ying

General Hsiao Cheng-ying, Government official; born at Fuyu District, Kirin, 1890; was graduated from the Kirin Provincial Law College, 1916; has successively served as associate director of the Bureau of Public Properties of Kirin; member of Lower House of Peking Parliament; magistrate of Ningho, Suiyuan; Tao-yin (circuit magistrate) of Pao-Ning Circuit, Suiyuan; Mayor of Sian, Shensi; director of Military Law Bureau of the 29th Army; member of the Peiping Political Council; director of Party affairs in Chahar province; counsellor to the Military Affairs Commission of the National Government; member of the Peiping Branch of the Military Affairs Commission; now Mayor of Tientsin Municipality and concurrently member of the Hopei-Chahar Political Council and chairman of the Economic Committee of the Council; address: Municipal Government, Tientsin, Hopei.

蕭振瀛字仙閣，吉林省扶餘縣人，年四十六歲，民國五年六月吉林法政專門學校畢業，歷任吉林清理官產處會辦，北京政府衆議院議員，綏遠臨河縣縣長，包臨道道尹，西安市市長，陸軍二十九軍軍法處處長，行政院駐平政務整理委員會委員，察哈爾黨務指導委員會委員，國民政府軍事委員會參議，軍事委員會北平分會委員等職，現任冀察政務委員會委員，經濟委員會主席委員，兼天津市市長。

General Chiang Warns Staff of China Merchants S. N. Co.

In a notice issued by the Executive Yuan in connection with the reorganization of the China Merchants Steam Navigation Co., Gen. Chiang Kai-shek exhorted the staff to observe the strictest discipline and obey all orders of the Government.

A free translation of the notice follows:—

"The China Merchants Steam Navigation Company is the oldest, and comparatively the largest, shipping concern in China. Owing to maladministration in the past, the business of the company has suffered and its indebtedness steadily has mounted. It is imperative that such an unhealthy condition should be remedied if impending bankruptcy is to be averted. Although the institution has been taken over and operated by the Government, the results achieved so far have not been very convincing. The Ministry of Communications has been directed to re-organize the company, to revise the regulations governing its organization, and to map out a program for its reform. It is the avowed intention of the Government to do away with all past abuses and to purge the whole organization in order that the reforms may be as thorough as possible.

"The desire of the Government should be well appreciated by all interested in the welfare of the company. All its staff, by virtue of long years of service, should be converstant with the condition of the company. Should they have any suggestions for the rectification of past abuses, the improvement of the company's business and the rehabilitation of finances, they should present them through the proper channels. Any other devious course actuated by selfish interests or pernicious external influences which may lead to disturbances and the disruption of the company's business will be regarded as an act of disobedience to the Government's law and discipline and as jeopardizing the communications of the country. Such acts will not be tolerated and will be dealt with strictly according to law. Should any of the employees of the branches, wharves, and godowns of the company be found guilty of similar acts, due punishment also will be meted out by the Government. Apart from instructing the Ministry of Communications to enforce the orders of the Government accordingly, notice is served for the observance of all concerned."

Home Leave!

How enviable is the lot of those fortunate people who can say good-bye to the worries of these troublesome Far Eastern days and get away on long leave!

True, changes of air and climate and diet are liable to disorganize the digestion for a while, to upset the regularity of the daily habit. But this need not trouble you at all if you carry Pinkettes in your bag for though dainty and tiny, Pinkettes are laxative perfection, and used occasionally when needed, keep the liver active, the digestion good, and ensure regular elimination. They also dispel sick headaches, banish bilious attacks, keep the skin clear and the breath sweet.

In short, Pinkettes keep you well and cheery on land or sea. Of all chemists.

In the United States Court for China

In re. Estate of HARRY PALLESEN, Deceased	Cause No. 4013 Special Proceedings No. 1048 NOTICE Filed at Shanghai, China, January 29, 1936. William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of HARRY PALLESEN, deceased, to present the same with vouchers to the undersigned on or before August 8, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

W. A. Reed, Administrator,
c/o Clerk U. S. Court for China,
Shanghai, China.

Shanghai, China.

Men and Events

W. W. Yen, Chinese Ambassador to Soviet Russia, is scheduled to return to China sometime during March, on sick leave.

Haldore E. Hanson, corresponent for the *Boston Evening Transcript*, who has been traveling in North China for several months, returned to Shanghai this week.

Dr. Robert F. Fitch delivered an address on "The Lure of Buddhist Temples" (illustrated with lantern slides) before the North China Branch of the Royal Asiatic Society in Shanghai, Feb. 27.

Announcement is made of the reorganization of the *Yi Shih Pao*, one of the two big dailies of Tientsin. Li Tu-shan has been appointed managing director of the paper to succeed Liu Yu-hsien. Tang Chi-ching, news editor, has resigned.

Statistics issued by the Shanghai Municipal Police this week showed the origin of cinema films published in Shanghai as follows: American, 83%; British, 6%; Chinese, 5%, Japanese, 4%; other countries including France, Germany, Italy and Soviet Russia, 2%.

The new three-cent message rate, instead of a flat rate, will be put into effect by the Shanghai Telephone Co. as from March 1. At the same time the public telephone rate has been lowered from ten cents to five cents, the coin slots having been changed to accommodate the new five-cents coins.

Sergean E. W. Peters and Probationary Sergeant W. A. Judd, of the Kashing station of the Shanghai Foreign Municipal Police, acquitted two weeks ago in the British Supreme Court, on a murder charge of throwing a beggar into the Hongkew Creek, have "resigned" and are returning to England.

Geo. O. Oien, an American citizen 37 years of age, employed with the W. R. Rice insurance agency until it closed recently, committed suicide in the hallway of his apartment in Wayfoong House, Shanghai, Feb. 25. Deceased was unmarried. His home in the United States was Eau Claire, Wisconsin.

Robert E. Lewis, who recently resigned his post as an advisor to the Ministry of Foreign Affairs, sailed on board the s.s. *President Hoover* for the United States Feb. 25. Mr. and Mrs. Leivis were entertained at farewell receptions last week by Dr. H. H. Kung, Minister of Finance, Mayor Wu Teh-chen, and other prominent Chinese leaders.

H. J. Timperley, for many years engaged in newspaper correspondence and magazine writing at Peiping is shortly removing to Shanghai where he will serve as full-time correspondent for the *Manchester Guardian* and also will continue as representative of *Asia Magazine* and a contributor to other journals in both the United States and Great Britain.

Judge Milton J. Helmick and the staff of the U. S. Court for China returned to Shanghai this week after holding a session of the Court at Canton. The Court will hear a number of minor civil cases here during next week, following which Judge Helmick and the Court staff will proceed to Tientsin where several cases await hearing.

By order of the Ministary of Finance, Lieut.-General Wen Ying-hsing, Chief of the Salt Revenue Guards Section of the Inspectorate-General of Salt Revenue, has been relieved of his concurrent duties as Commander of the Salt Revenue Guards. The vacated post will be filled by Major-General Huang Chich, Commander of the 2nd Government Division.

An organ recital and orchestra provided an unusual musical treat at the Community Church in Shanghai on the evening of Feb. 28. R. V. Dent presided at the organ and Henry Francis Parkes conducted the orchestra. Mrs. Kendall E. Graham was the soloist. The program include Handel's Second Concerto and Rogers' Sonata in E Minor, for organ and orchestra.

The death occurred in the Shanghai Sanitarium Feb. 19, as a result of a cancer in the throat, at the age of 33, of William H. Harkness, scientist and explorer and member of a wealthy American family. He had originally come to China about a year ago with a party who had sought permission from the National Government to enter Tibet. Same having been refused, deceased had remained in Shanghai until the time of his death.

The trial of J. Kleffel, former vice-president and manager of the now defunct American-Oriental Banking Corporation, at the First Special District Court in Shanghai, was postponed indefinitely Feb. 20 owing to the illness of Judge Tsien. Mr. Kleffel is charged with misappropriation, fraud, and breach of confidence, in connection with $32,000, said to have been put in the bank by a Russian and a Chinese for safe-keeping before the bank closed its doors.

Dr. William S. A. Pott, son of Dr. F. Hawks Pott of Shanghai, was inducted into office as president of Elmira (N.Y.) college, Oct. 26. Dr. Pott is a graduate of the University of Virginia, where he also taught law and philosphy. From there he went to the University of California where he was the head of the department of Oriental history and languages. Later he held a position in the head office of General Motors at Detroit.

Guenther Stein, who has been in Shanghai and Nanking on behalf of the London *News-Chronicle*, returned to Tokyo end of this week, where he is regularly stationed for said paper.

Robert J. Cromie, editor of the *Vancouver Sun*, was a visitor to Shanghai this week. As was the case during his visit to the Far East several years ago Mr. Cromie is working hard to secure a reduction in the trans-Pacific cable and radio rates.

H. G. Mende, of *Reuters* News Agency, will proceed to Tientsin in the near future to take charge of the office there in succession to the Hon. E. H. Ward, who has returned to England.

The Ministry of Railways has appointed Chang Ching-li, Chief Accountant, to serve concurrently as Director of its Finance Department, in succession to Chen Yao-tsu, resigned.

The office of RCA Communications, Inc., represented by Geo. F. Shecklen, has been removed from Room 243 to Rooms 201-2 in Sassoon House. The telephone number remains as before, 19251.

Because of the Swatow case, resulting from the alleged murder of a Japanese policeman by Chinese (which has been definitely established to be incorrect), the Chinese authorities in Kwantung transferred the mayor of Swatow, Li Yuan-ho, to the post of mayor of Shunteh. The present mayor of Shunteh will be transferred to Swatow to succeed Mr. Li.

H. G. Nelson, who was born in Duluth, Minnestoa, and is a graduate of the School of Law of the University of Michigan at Ann Arbor, class of 1933, has arrived in Shanghai and has joined Dr. George Sellett in the practice of law. For the past two years Mr. Nelson practiced law in Toledo, Ohio. Mr. Nelson is residing for the present, at the American Club. His and Dr. Sellett's offices are located at 354 Hamilton House.

George Mooser, with insurance experience in China dating back to 1901, arrived back in Shanghai this week to take up a post as supervisor for the West Coast Life Insurance Company and Commissioner for the Far East for the San Francisco Bay Exposition, to be held in 1938. Mr. Mooser, more than three decades ago was manager for Shanghai and river ports for the China Mutual Insurance Company, now merged with the Sun Life Insurance Co. of Canada.

H. F. Misselwitz, for several years correspondent in China for the *United Press* and *New York Times*, is recuperating at Hollywood, Florida, and expects to resume his work as night editor of the *United Press* in New York. Mr. Misselwitz was slugged, robbed and left for dead by footpads one night last summer while returning to his apartment from his editorial work. As his skull had been fractured it was thought for sometime that he would not recover but he recently has written friends stating that he has practically recovered his health, barring an affliction of one eye which he expects to return to normal shortly.

Bridge Across Whangpoo Postponed, But New Ferries Put Into Service

The Shanghai City Government, owing to the financial difficulties involved, has decided to delay the construction of the proposed bridge to span the Whangpoo River. Meanwhile, more ferries are being put into operation by the City Ferry Service under the management of William P. Y. Tan, concurrently assistant manager of the China Merchants' Steam Navigation Company. Ferry No. 17, built in streamlined design, has just left the builders and on March 1 will start a new service across the Whangpoo at Tungkadoo, Nantao. Ferry No. 18 is nearing compleion.

Dispute Between Japanese and Chinese Workman Results in Latter's Death

A Chinese workman, name Ma Ah-tao, about 40 years of age, died of wounds and two Japanese pipe fitters are recovering from injuries received in a quarrel which arose in the new building of the Mitsubishi Bank on Kiukiang Road in Shanghai, Feb. 24. The fight started in the basement over some misunderstanding between six Japanese employees and the Chinese workman. Pipe wrenches and piping were used in the fight that followed. The Chinese was rushed to the Paulun Hospital where he died at 3.25 p.m. and the two Japanese were given first aid. Japanese Consular Police are investigating the case. Six Japanese are said to have been arrested and are now detained.

Salvation Army in Shanghai Conducts Campaign to Raise Funds

The Salvation Army in Shanghai is carrying on a campaign to raise $30,000, with which to carry on its charitable and evangelical activities during 1936. The major activities of the local Salvation Army include maintenance of the Men's Hostel, a home for unemployed foreigners; the Discharged Prisoners' Aid Department, which assists both foreign and Chinese discharged prisoners, providing financial assistance, food, clothing and, if required, transportation; the Foreign Men's Shelter and Food Kitchen, which annually looks to the welfare of many destitute foreigners, and four evangelical halls for Chinese.

American Chamber of Commerce Holds Annual Meeting, Elects Officers

The American Chamber of Commerce in Shanghai held its annual meeting at the American Club Feb. 21. C. S. Franklin, president of the Chamber, presiding. Guests of honor included C. E. Gauss, American Consul-General, Julean Arnold, U. S. Commercial Attache, and the retiring Consul-General Monnet B. Davis.

After adoption of the annual reports and accounts, a new Board of Directors was elected for the ensuing year, consisting of Messrs. W. A. Adams, N. F. Allman, S. T. Bitting, Frank C. Cleary, J. V. Crowe, S. B. Dunlap, C. S. Franklin, C. H. French, L. A. Fritchman, P. F. Hopkins, R. E. O'Bolger, W. H. Plant, A. E. Schumacher, J. F. Twogood.

At the conclusion of the annual meeting, a special meeting of the newly-elected directors was held to elect officers, with the result that those who held office last year were re-elected, namely, C. S. Franklin, President, W. H. Plant, Vice-President, A. E. Schumacher, Hon. Treasurer, James Howes, Secretary.

Addresses at the meeting included the annual report by Mr. Franklin, "Observations on Conditions at Home" by A. Bland Calder, assistant American commercial attache in China, and "Prospects for American Business in China" by C. H. French, past president of the Chamber.

The by-laws were amended so as to provide for a nominating committee of five to select candidates for the board of directors. Only two members of the committee may be members of the board.

E. F. O'Connor of M.-G.-M. Denied Entrance Into Japan

E. F. O'Connor, a former employe of the Dollar Co. in Japan, and in recent years with the Metro-Goldwin-Mayer Co. has, it seems, incurred the ill-will of the Japanese immigration authorities. Mr. O'Connor three years ago was the manager in Shanghai for said cinema concern, being then succeeded by the present manager, S. B. Dunlap. Mr. O'Connor then went to Singapore and recently had received an appointment to manage the office in Tokyo. When he arrived in Japan, the immigration authorities, however, refused him a landing for the second time, he having been refused permission to land several weeks previously when he was a passenger on the *s.s. President Jefferson*. No word has been received in Shanghai so far as regards Mr. O'Connor's whereabouts, but it was arranged that he would proceed to America (in case he would eventually be unable to take up the Japan appointemnt) and from there take up an M.G.M. assignment in some other part of the world.

M. Bogomoloff Delivers Lecture on Art at Soviet Exhibition

M. Bogomoloff the Soviet Ambassador, delivered a speech at the Soviet Graphic Art Exhibition held in the Y.M.C.A. in the French Concession, Feb. 22 in which he described the present tendencies of Soviet art. "Soviet Art," said Mr. Bogomoloff in "has trodden on a new path, there is no doubt about it. All what we have achieved up to now is but a few first steps. But we are sure that this path, with the help of millions of individuals, whose capacities were doomed to oblivion during the past history of humanity, will be extended to a wide road of prosperity and of a new flourishing and all-human culture."

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches
Your work should bear our imprint

The National City Bank of New York, Rates of Exchange
Shanghai Feb. 26, 1936

Demand selling rate on America :	U.S.$1.00=Sh. $ 3.34
Demand buying rate on America :	U.S.$1.00=Sh. $ 3.29
Demand selling rate on London :	£1.0.0=Sh. $16.69
Demand buying rate on London :	£1.0.0=Sh. $16.44

In the United States Court for China

In re.
Estate of
J. M. HERRMANN
Deceased

Cause No. 4019
Special Proceedings
No. 1051
NOTICE
Filed at Shanghai, China,
February 11, 1936
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of J. M. HERRMANN, deceased, to present the same with vouchers to the undersigned on or before September 7, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

ROY G. ALLMAN,
Hamilton House,
Shanghai.

Shanghai, China.
February 11, 1936.

In the United States Court for China

In re. Estate
of
LEONARD BUCHANAN
Defendant.

Cause No. 4030
Special Proceeding
No. 1054
NOTICE
Filed at Shanghai, China,
February 25 1936
William T. Collins, Clerk.
by L. T. Kenake, Asst.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of LEONARD BUCHANAN, deceased, to present the same with vouchers to the undersigned on or before August 1st, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

JAMES B. DAVIES,
c/o Schuhl, Davies & N. E. Lurton,
330 Szechuen Road,
Shanghai.

Shanghai, China.

Margaret Sanger, American Birth Control Leader, Coming to Shanghai

Margaret Sanger (Mrs. J. Noah H. Slee), who is the leader of the birth-control movement in the United States, arrived in Hongkong last week and will later come to Shanghai. This is her second visit to the Far East, she having come to Japan and China in 1922, conducting a campaign in both countries in support of the movement to which she has devoted her life. The birth-control movement is gradually gaining momentum throughout the world, not without great opposition in America itself. In 1915, for example, Mrs. Sanger was indicted for sending birth control literature through the mails; said case was dropped after petitions had been sent to President Wilson by friends of the movement. In the following year she was arrested for conducting a birth control clinic in Brooklyn, N. Y. The case went against her and was sustained on appeal, but the ensuing publicity made many friends for the movement.

Mrs. Sanger's activities in Hongkong are meeting with opposition in certain quarters, notably from the Roman Catholic priesthood. In the course of remarks criticizing Mrs. Sanger's activities, the Rev. Father Ryan (who is an Americam priest) raised the ire of the American community in the Colony by referring to the United States "as the country most conspicuous for its low sex life." Mrs. Sanger is due shortly in Shanghai, although later messages stated that her work in Hongkong would take longer than originally anticipated. The Chinese papers state that a National Birth Control Congress will be held here after the arrival of Mrs. Sanger. She is also scheduled to proceed later to Peiping.

The *Shun Pao*, leading Chinese daily newspaper in Shanghai, is giving its support to the birth control movement. It urges co-operation among various classes to further birth control in China, arguing that will alleviate much suffering among the masses and eventually solve the food and overpopulation problems now facing the nation.

J. Prip-Moller Clarifies a Few Details Regarding Memorial Hall at Nanking

The Editor, *The China Weekly Review*:—I received the copies of *The Review* containing your article on the Memorial Hall at Lin Ku Ssu, Nanking,—and wish to thank you for sending them. It has naturally been a pleasure to me to see that this discovery, which it has fallen to my lot to make, has been made the object of a mention, as is the case, in a magazine like *The Review*, with its wide circulation and its genuine interest for all, in things Chinese.

Incidentally, may I call your attention to a detail in the article, on page 431, 1st column, 2nd paragraph under the picture, where it is written, that the hall now is "correct in practically every detail with the original conception, which dates back more than 600 years." As to the date of erection, the 600 years are correct, inasmuch as the hall may safely be said to have been built A.D. 1324-1327, (see my note in *Chinese Recorder* page 762, 2nd column, Dcember 1935).

The details, which Mr. Murphy has used for the reconstruction of the brackets, do however not date from that time, but are the work of Hung Wu's restoration in 1383. The original bracket course under the eves, *were made of timber, and had a far bigger projection than those* made of bricks by Hung Wu, and by Mr. Murphy chosen as the pattern for *his* restoration.—Thus the hall *does not* now appear in its *original form, but in that one, which it got about* 55 *years after its erection* on the command of the first Ming Emperor. In my article in ARTES, (found in RAS library and in *China Journal* library), I have made clear the various details in the old construction, which made it evident to a technical man, that the brick eves were not the original ones. Which pattern to choose for a present restoration may perhaps be a matter of choice, and something may be said for choosing the one now carried out,—but at the same time it ought to be clear, that *it is not the oldest*.

J. PRIP-MOLLER, F.I.A.

"Solyst," Jyderup, Denmark, Jan. 25, 1936.

Shanghai Bar Association Urges Abolition of Rendition Agreements

The Shanghai Bar Association and the Unjust Prosecution Compensation Committee at a meeting of the National Bar Federation, passed a resolution this week asking that the authorities be petitioned to devise immediate measures for the abolition or improvement of the court rendition agreements of the Settlement and the French Concession. At present, the two organizations said, the organization, administration and the judicial procedure followed by the Chinese courts in the Settlement and the French Concession are totally different from those of the Chinese courts in other parts of China. It is hoped that the supreme judicial authorities, in co-operation with the Ministry of Foreign Affairs, will open negotiations with the various Powers concerned for the abolition or an amendment of the agreements as has been suggested by the Judicial Inquiry Commission which returned from abroad last year.

London Accepts Chinese Offer for Resumption of Service on T.-P. Railway Loans

The Ministers of Finance and Railways in Nanking, Feb. 25, announced the terms on which they are ready to resume service on bonds of the Tientsin-Pukow Railway loans of 1908-10, of which the outstanding amount is about £6,150,000.

The offer provides that:—

1. Interest shall be paid at the rate of 2½ per cent per annum from 1936-1938 inclusive and 5 per cent thereafter.

2. Principal repayment shall begin in 1940; the amount of annual instalments to be dependent upon gross cash earnings, so that the loan shall be liquidated within about 40 years from 1936.

The Government, however, is to be entitled upon reasonable notice and without premium to increase the amount of principal retired on any payment date.

The scheme of amortization provides for applying one per cent of gross cash earnings for the years 1940-42 inclusive, 1½ per cent in 1943, 2 per cent in 1944 and so on, increasing by ½ per cent cash year until 12½ per cent thereafter, until the loan is completely retired.

Bonds drawn, but not yet retired, would be paid according to the order of drawings.

3. Cancellation of four-fifths of interest in arrears and also four-fifths of the amount of interest due, but not to be paid during 1936-38 (i.e., half the scheduled interest).

Non-interest-bearing scrip to be issued for the balance and to be paid beginning in 1941 over approximately 20 years.

The yearly instalments would be substantially equal except that the Government would reserve the right of transferring to the last of the aforementioned period of approximately 20 years not more than 50 per cent of payments during the first three years.

4. Payments to be made out of railway revenue, but in pursuance of article 9 of the original agreements the Inspector-General of Customs will be instructed to make up any deficiencies in the sums required for the stated interest.

Committee Accepts Nanking Offer

A telegram from London, Feb. 24, stated that the Committee of Chinese bondholders had recommended acceptance of the above-named offer, which had been communicated by the Chinese Ambassador, Quo Tai-chi.

C. S. Franklin and A. D. Calhoun Will Be American Nominees for Council

The general committee of the American Community announced Feb. 26 that Cornell S. Franklin, prominent American attorney and member of the firm of Franklin and Harrington, will run for re-election to the Shanghai Municipal Council at the Municipal election, scheduled to be held on March 23 and 24.

J. W. Carney, of the Socony-Vacuum Company, at present the only other American member of the Council, will not be a candidate for re-election. Mr. Franlkin's running mate will be A. D. Calhoun, sub-manager of the National City Bank. Mr. Calhoun is an excellent financier and is considered a wise choice by most members of the American Community.

A letter circulated to all American ratepayers of the International Settlement, revealing the nominations was circulated this week. signed by M. P. Walker, Secretary of the American Community Committee on Municipal Elections. The letter also contained the formal statement that other nominations are in order but there is no indication that any others will be made.

The British community of Shanghai this year, for the first time (following the American precedent) held a "primary" election to select five British candidates for the Shanghai Foreign Municipal Council. Ten candidates entered the field. The idea of the British community in putting forth a united front on five candidates, which all British voters are expected to vote for en bloc, is to offset a move on the part of the Japanese community to elect three Japanese Councillors instead of two as in former years.

Further Japanese Trade Penetration in North China

The Japanese Manchurian Factory recently opened at office in Tientsin for the domination of the construction of steel bridges and railways in North China. The Japanese Oriental Tobacco Factory is also planning to open a factory in Tientsin to manufacture cigarettes.

Another Japanese-Ordered Railway in East Hopei

Under the instructions of the Japanese, Yin Ju-keng, leader of the regime of East Hopei is pushing plans for the building of a light railway to connect Tungchow, Kupeikow and Tangshan. The Tungchow light railway will be built in the near future.

Reduction in Import Tariff in East Hopei

Measures have been taken by the authorities of the Eastern Hopei Autonomous Government to curb the increased smuggling of commodities in the region under its control. The *Shanghai Nippo* says a reduction of one-fourth in the import tariff is being enforced, in order to prevent the smuggling.

Boom Days in China's Northwest Capital

BY HALDORE E. HANSON

THE city of Sian is booming like a mining town. New buildings spring up like mushrooms; more than a hundred new shops opened in 1935. The first electric lights were lit for Chinese New Year, 1936; new telephones, paved streets, running water, drainage tunnels, bus lines, all are on the commissioner's menu, enough to startle Ch'in Shih Huang in his grave at Lintung, twenty miles eastward.

The irrigation projects and the coming of the railway have something to do with all this. Since the inauguration of the Lung-hai service in January, 1935, manufactured products from Tientsin and Shanghai have been cheaper than locally made goods; the city has swarmed with shop keepers from Kiangsu, Honan, and Hopei. The International Famine Relief Commission and the National Economic Council both have large offices in the city for the extension of irrigation and dry farming.

But the basic cause of the boom is the presence of 300,000 national soldiers (December, 1935 estimate) under Chang Hsueh-liang, some north of the city with headquarters at Lochuan, and tens of thousands still inside the walls of Sian. The streets are filled with marching soldiers and tooting military trucks. Every school, public office building, and empty warehouse is housing soldiers. The officers who have brought their wives to Sian have been unable to find rooms and have organized a house-to-house canvas, compelling all landlords with vacant rooms to accept military tenants. The air squadron holds daily maneuvers above the city, roaring their motors just two hundred feet from the housetops, apparently to intimidate would-be communists.

Together with the soldiers have come new buildings, new shops, new business agents. The foreign oil concerns are doing a brisk business. The southeast corner of the city, near the old arsenal, has been cleared of its hovels, and given rise to four fine brick structures of modernistic architecture, each four stories high, the new headquarters of Chang Hsueh-liang; and around these buildings are compounds of new homes, used by the higher officers. Sian is replacing Mukden as the private property of the Chang family. Near the railway station the China Travel Service has opened a fine new hotel, with present rates of nine dollars a days European style.

Old residents are delighted with the dozens of new shops. Electrical goods and radios are new. Two new moving picture theatres have augmented the former one. Forty shops are selling Shanghai cookies and canned goods, formerly not available in the city. The Shanhgai book publishers all have branches at Sian, as do the large Peiping manufacturers such as Yung Hsing stationary and Glasses Pang's shoes. The Tientsin Native Goods Corporation has opened two large department stores. The city's population, as a result of the influx of shopkeepers, has risen from 130,000 to 170,000 in the past three years, exclusive of national soldiers.

An Amusing Anecdote

The most phenomenal transformation of 1935 was the remaking of Hsi Ta Chieh, principal east-west thoroughfare about a mile and a half in length. There is an amusing anecdote connected with this work. It seems that when General Chiang Kai-shek was in Sian last autumn, the city had experienced heavy rain storms and the streets were covered with mud. One day, while walking down the narrow slippery Hsi Ta Chieh, the Generalissimo fell and soiled his natty uniform. He promptly visited the provincial reconstruction office, and informed Commissioner Powers A. Lay that he would have but thirty days to make that street into a first class metropolitan boulevard. It was done. Within two weeks every building along that mile and a half was torn down and rebuilt five meters farther back; within another two weeks a parking had been constructed down the center of the street, and the whole length, now twenty meters wide, was surfaced with crushed stone. Today the Hsi Ta Chieh is not only the finest street west of Peiping; it is a memorial to a general's slip in the mud.

Since the present reconstruction office was organized in 1934 under Commissioner Lay, former Professor of Engineering in Peiyang University, Tientsin, 60% of Sian's muddy streets have been surfaced with gravel. Taking advantage of the improved roadways, the reconstruction office organized a city bus company operating 15 cars, and making substantial profits. The fare from the east city gate to the west, a distance of two and a half miles, is 12 cents, compared with 20 cents by ricksha. The net profit of these buses now averages $150 a day.

The new telephone and electric wiring systems are an obvious feature of every main street. For the past six years Sian has been using an obsolete telephone system operated by batteries and a small magneto on every phone. The system was extremely inefficient, often requiring a half hour to complete one call. The new line will be operated by the city power plant at a charge of seven dollars a month for a family phone. When the new service is available on March 1 of this year, the present 400 telephone users are expected to double or even treble.

The new power plant, operated by a steam generator, began supplying electricity for the street lights on Chinese New Year's Eve. Its present capacity is 750 kilowatts, but before the end of 1936 two new generators will be added, trebling the present power. The charge of 24 cents per kilowatt hour is equal to the Peiping rate; it is not sufficiently low to permit the lower classes to use electric lights, but it does solve the problem of dark streets and simplifies the living conditions of the well-to-do.

Running water is another luxury which Sian is contemplating. The city is well endowed with wells within the walls but the water is hard and bitter. The running water system will draw from some deep wells outside the west city gate, a source which promises to be sweet. The first stage of work calls for the building of forty miles of pipes, connecting with hydrants along the street, from which the people will buy water for two dollars a thousand gallons. This is very definitely a boon to the common people, since the water carrier can deliver only 150 gallons for two dollars. The first stage of the work will be completed in July, 1937, supplying 1,200,000 gallons a day. Later, when the capacity is increased, pipes will be laid into individual homes.

The drainage of Sian has been utterly neglected. Not until 1935 did the city officials undertake the first drainage tunnel, and the work is now progressing very slowly for want of funds. Engineers estimate that the construction of even a rudimentary system of tunnels under the main streets will entail several million dollars, and will necessitate the digging up of streets already surfaced.

The buildings of historical importance are few in number, but are receiving some attention in the present program of reconstruction. To one who has read of Sian as an important cultural center of ancient China, the historical relics are disappointingly few; in fact they are countable on the fingers of one hand: the bell and drum towers overlooking the main streets, the Confucian Temple, and the adjacent Forest of Tablets. The Confucian Society recently freshened the paint on the temple, giving it a brisk appearance. The Forest of Tablets, repository of the famous Nestorian tablet, is a delapidated series of tottering roofs; as yet nothing has been done for their care. For the renovation of the drum and bell towers the city has appropriated $80,000, but the work has been postponed because soldiers of Chang Hsueh-liang are using the buildings for barracks.

With all this utilitarian improvement in Sian, it is still, to the outsider, a barren city. The main streets are broad and dustblown, lined with uniform two-story buildings as monotonous as a row of telegraph poles. There are no modernistic shop fronts, no colorful old fashioned Chinese signs; everything is as drab as a Mongol village. The dirty winding side streets in the congested residence districts are lined by high mud walls, like an overgrown farming village of the North China plain. One third of the area inside the city walls is still unused grassland, laid waste by the Manchu massacres of 1911, cleared of debris by Feng Yu-hsiang in the late 1920's, now useless save as a vast drill field for the soldiers of Chang Hsueh-liang.

Externally the city of Sian is fast acquiring a network of interprovincial railways and highways. To the east runs the Lung-hai Railroad; to the west the Lung-hai extension has reached Hsienyang, fifty li beyond Sian, and will be opened to passenger service on March 1. This railway should reach Paochi in western Shensi by the end of 1936, from which point it is uncertain whether it will proceed southward into Szechuan or westward to Lanchow. One branch railway, from Hsienyang to North Tungkuan, is being undertaken this year by private capital from Shanghai, and will serve the coal fields about Tungkuan.

Shensi Highways Are Being Rapidly Extended

Shensi highways have doubled in the last six months. Between Sian and Lanchow there are now two motor highways, both carrying passengers and freight. At Fengshiang on the south Lanchow road, the new Szechuan highway branches off, proceeding Southward to Hanchung, thence west to Ningkiang on the Shensi-Szechuan border. This highway should be opened to passengers by March, but the Szechuan end of the road will not be completed for several months. Southeast of Sian a Shensi-Honan highway has proceeded 350 miles, and should reach the Honan border by mid-year. Also along the south side of the lofty Tsingling Range a Shensi-Hupeh highway is running eastward from Hanchung, along the valley of the Han River. Twenty thousand men are now working on the Shensi-Szechuan and the Shensi-Hupeh highways, both with headquarters in Hanchung.

Despite all the outward evidence of progress in Sian, it is difficult to imagine any change in the economic importance of the city. The possibility of dry farming in Shensi and Kansu is admittedly overestimated. The presence of 300,000 soldiers is a temporary measure. The region naturally sending products to Sian is not large, consisting of the Wei River valley and eastern Kansu. Cotton growing will undoubtedly increase but the rainfall is not sufficient to make this a rich agricultural region. North Shensi, because of mountains, normally exports through Paotou in Suiyuan and Fenchow in Shansi. The only possibility of permanent increase in trade is from the south, from the Han River valley and northern Szechuan, but even this trade must await the construction of a railway.

If Shensi is truly to be the last outpost of Chinese power in the north, the only northern province preserved from foreign aggression, it is a sorry patch of ground to be preserved.

Sian, Shensi, February, 1, 1936.

The Only English Language Daily and Weekly Newspaper of Peiping.

The Peiping Chronicle

Presents news impartially and promptly, interprets current events in a sane and liberal spirit, and editorially supports progressive and constructive policies, and also serves as the best medium for advertising in North China.

Subscription Rates:

One month	Mex.	$ 2.00
Six months	„	$11.00
One year	„	$20.00

(Postage extra)

The China Weekly Chronicle

A digest of the week's news concerning events and developments in China and in Chinese international relations, with editorial comment, special articles and review of books concerning China.

Subscription Rates:

Six months	Mex.	$2.50
One year	„	$4.00

(Postage extra)

China Chronicle Series

Pamphlets of interest in China bearing the subjects of "Tibet under The Dalai Lama," "The New Life Movement," "Confucius and Present-Day China," "The Buddhist Cave Temples at Yun-Kang," "Guide to Peking," etc., etc., are on sale at:

THE PEIPING CHRONICLE

2, Mei Cha Hutung, Peiping, China

Teleg. Address: "Chronicle"

New Books of Interest in the Far East

Social Work Year Book—Russell Sage Foundation Publication

Social Work Year Book, 1935. *A Description of Organized Activities in Social Work and in Related Fields. Third Issue. Edited by Fred S. Hall. Russell Sage Foundation, New York.* 1935. *U.S.*$4.00.

This valuable biennial publication has been completely revised and expanded to "picture social work as reshaped by the momentous influences of 1933 and 1934" in the United States. This includes not only the topical articles, ranging from Adoption and Adult Offenders to Workers' Education and Youth Service Associations, but also the comprehensive directories of social agencies—national and state, public and private—which comprise Part II of the book, which has "been expanded to include such federal emergency agencies as are closely related to social programs."

Overshadowing all else as a social problem today is unemployment, dealt with in this volume under several heads—Unemployment, Unemployment Relief, Unemployment Insurance, Transient and Homeless Persons, etc. The autumn of 1934 found "approximately 10,000,000 persons totally unemployed" in the United States—a figure somewhat higher than in March 1932, though lower than in the spring of 1933 when "from 13,000,000 to 15,000,000 men and women were unable to find remunerative employment." Federal relief and public work programs of various kinds brought the main part of the reduction in 1933, but the number of unemployed increased again during 1934. "During the five years following the autumn of 1929 the number of employable adults who directly suffered from unemployment over a long or short period probably included fully half of the total working population of the country."

Much of this cannot be altered except by a change in the economic order itself: "In view of the increasing mechanization of industry . . . . it is now generally agreed that even with the restoration of economic activity to the level of the pre-depression era—and in the absence of fundamental economic changes—several millions of those now out of work will not soon, if ever, be reabsorbed into continuous gainful occupations." Social workers have been forced to "recognize that our social problems arise not out of inherent limitations in either the wealth or the productive capacity of the nation, but rather out of our faulty distribution of wealth," and to regard government as "the only effective instrument for the social use of our national wealth." A substantial part of social workers take a much more radical stand, and are convinced "that a prerequisite of sound social planning is the abolition of private ownership and profit-making in the means of production."

Unemployment relief is described for the years 1933 and 1934, with its development in that period: the creation of the Federal Emergency Relief Administration, the creation and early liquidation of the Civil Works Administration (November 1933 to March 1934), the division of the problem into three parts (rural areas, "stranded populations," and unemployed in cities and towns), the new problem of the drought, the decline of the "self-help organizations" since early in 1934 (first disorganized by the C.W.A. program, then by the production-for-use and homestead developments in the relief program), and finally the realization by the Administration last year that emergency relief must be supplanted by a long-term program for "social security" (comprising social insurance, public works, and pensions for the aged and incapacitated). In 18 months (from January 1933) U.S.$1,340,760,934 was spent on unemployment relief, without counting wages paid under the C.W.A. Some 4,000,000 families were "on relief" in September 1934, and more than 500,000 "single resident persons"—the total figure again approximating the "peak of 4,560,000 in March 1933." The average amount of relief per family in June 1934 was $23.09, ranging from $44.02 in New York State to "from $9.00 to $20.00 a month" in the southern states.

A most interesting aspect of relief work, from an economic viewpoint, is the use of supplies provided by the Federal Surplus Relief Corporation to relieve the destitute unemployed. Here is direct transfer of "surplus" goods to the needy population. Merchants—and many social workers—naturally object to this introduction of communism into the economic system—a partial socialization of the food (and cotton) supply,—but about $100,000,000 was disposed of in this way from October 1933 to August 1934.

Other sections of this comprehensive book are also of much interest. The article on "Birth Control" makes clear its present legal status, and the nature of the revised law now being agitated for by public-spirited persons desiring to make contraceptive information legally available. There are now not less than 150 birth-control clinics operating in the United States, and several thousand co-operating physicians in localities without clinics.

The article on "Civil Liberties" sheds light on a subject on which there is usually much more argument than fact. It appears that "the efforts of labor unions to organize under Section 7a of the National Industrial Recovery Act" (now declared unconstitutional) "have met with wide resistance. Troops have been called out in

strikes in six states; over fifty persons have been killed on picket lines or in demonstrations . . . . Over forty state injunctions have been issued restraining strike activity . . . . In Georgia, Angelo Herndon, a Negro Communist youth, was given a sentence of 18 to 20 years, the longest sentence for political opinions since the War . . . . Several states have revived the use of sedition and criminal syndicalism laws in prosecutions." Lynchings have "shown a sharp increase."

On the other hand, "the efforts of the federal administration have been to prevent strikes or to get strikers back to work by mediation or arbitration . . . . The fear that the vastly enlarged powers of the national administration would result in interference with the right of agitation have not been justified . . . the record reveals no interference with freedom of communication through the executive or through N.R.A. codes. The Post Office has not denied mail privileges to a single paper . . . No . . . interference by the administration with freedom of the radio . . . A bill to censor motion pictures by federal agencies was defeated . . . The United States Department of Labor has liberalized its regulations, abolished the secret service section, permitted radical aliens to visit in the United States, and ordered fewer deportations on political grounds . . . The American Indian has been given a new charter of freedom in the restoration of his lands and tribal governments. . . On Christmas Day, 1933, the President restored the rights of citizenship to about 1,500 persons who lost them under the espionage act during the World War."

A most reliable compilation, on a great number of subjects of outstanding social interest.

H. H.

An Author Who Would "Europeanize" the United States

Forerunner of American Fascism, by Raymond Gram Swing. New York: Julian Messner, 1935. 168 pages. U.S. $1.75.

Not all would be satisfied with the definition of fascism in this book: "Fascism is first of all the sacrifice of democracy in the interest of economic maldistribution, and it would be fascism even without doing much violence to personal liberties, or after the persecution of minorities had ceased." In his analysis of this political movement the author asserts that the United States has already abandoned the purely democratic routine of democracy. The conditions which make possible the revolutionary change of fascism are the impoverishment of the middle class, the slowing down of business, causing unemployment on a large scale, the paralysis of democratic government and the threat of an active communist movement. The last condition is lacking in the United States. Economic dissatisfaction may be the origin of a fascist movement, but the psychological forces which are loosed give the movement part of its true character.

Although fascism is more than a Mussolini or a Hitler nevertheless, the conditions and developments of the movement can best be seen in the personality of a man. In his studies of Huey Long, Father Coughlin, Senator Bilbo, Dr. Townsend and William Randolph Hearst, the author describes the nature of the appeal which any demagogue must make, but especially the appeal which he asserts is leading the United States to fascism. Of these five men, as might be expected, Huey Long and Father Coughlin are by far the most dramatic. To Father Coughlin, Canadian born Roman Catholic priest, is given credit for discovering the radio as a source of power for an individual. It is said that he received more than 1,200,000 letters after his radio speech on the subject "Hoover prosperity means a new war." His radio speeches utilize the popular animosity against the bankers, and vague resentful yearning widely prevalent for social justice. Mr. Swing considers Father Coughlin to be "one of the most talented fomenters of hatred ever to have addressed an American crowd."

The assassination of Huey Long since the publication of this book has removed from American life a figure who controlled all three departments—executive, legislative, judicial—of a state government. Long believed that power must precede reform and that the end justified the means. Good works were offered in return for dictatorship.

The other four men considered "forerunners" have not the personal appeal of Father Coughlin or Huey Long. Senator Bilbo, formerly governor of Mississippi, seems a paler copy of Long. As a "rabble-rouser" in electioneering Senator Bilbo can point the way to success. Dr. Townsend, sixty-eight year old physician and humanitarian, would create business and end unemployment by his $200-a-month pensions to approximately eight million people, and it is alleged that more than twenty-five million Americans have signed petitions to Congress for the enactment of the Townsend plan, despite the fact that the money for the pensions is to be raised by a two per cent tax on each business operation. The significance of Dr. Townsend is the credulity he reveals in the American nation. William Randolph Hearst is described as "a projection of the middle class" whose prejudices and vulgarities he exploits. His most recent journalistic policy has been a campaign against academic freedom

For Views and Opinion

Please Read

The China Critic

The Oldest Chinese Owned and Edited English Weekly

founded in May, 1928

For it will afford you the true thoughts and opinions of China's leaders that the foreign newspapers are seldom to give.

THE LITTLE CRITIC

edited by

Dr. Lin Yutang

The world renowned writer and humorist

gives criticism on various interesting topics in a lighter vein, that will make the reader both smile and think.

SUBSCRIPTION RATES

CHINA: $7.00 a year, $4.00 6 months
FOREIGN: G$5.00 a year, G$3.00 6 months

Postage Included

THE CHINA CRITIC
749 Bubbling Well Road,
Shanghai, China.

Dear Sirs,
Please enter my subscription for ..... year against my remittance of $..... herewith.

Name .....

Address .....

The China Critic Publishing Co.
749 Bubbling Well Road
Shanghai, China

Telephone 33627

The Only English Language Daily and Weekly Newspaper of Peiping.

The Peiping Chronicle

Presents news impartially and promptly, interprets current events in a sane and liberal spirit, and editorially supports progressive and constructive policies, and also serves as the best medium for advertising in North China.

Subscription Rates:

One month	Mex. $ 2.00
Six months	„ $11.00
One year	„ $20.00

(Postage extra)

The China Weekly Chronicle

A digest of the week's news concerning events and developments in China and in Chinese international relations, with editorial comment, special articles and review of books concerning China.

Subscription Rates:

Six months	Mex. $2.50
One year	„ $4.00

(Postage extra)

China Chronicle Series

Pamphlets of interest in China bearing the subjects of "Tibet under The Dalai Lama," "The New Life Movement," "Confucius and Present-Day China," "The Buddhist Cave Temples at Yun-Kang," "Guide to Peking," etc., etc., are on sale at:

THE PEIPING CHRONICLE

2, Mei Cha Hutung, Peiping, China

Teleg. Address: "Chronicle"

New Books of Interest in the Far East

Social Work Year Book—Russell Sage Foundation Publication

Social Work Year Book, 1935. *A Description of Organized Activities in Social Work and in Related Fields. Third Issue. Edited by Fred S. Hall. Russell Sage Foundation, New York.* 1935. U.S.$4.00.

This valuable biennial publication has been completely revised and expanded to "picture social work as reshaped by the momentous influences of 1933 and 1934" in the United States. This includes not only the topical articles, ranging from Adoption and Adult Offenders to Workers' Education and Youth Service Associations, but also the comprehensive directories of social agencies—national and state, public and private—which comprise Part II of the book, which has "been expanded to include such federal emergency agencies as are closely related to social programs."

Overshadowing all else as a social problem today is unemployment, dealt with in this volume under several heads—Unemployment, Unemployment Relief, Unemployment Insurance, Transient and Homeless Persons, etc. The autumn of 1934 found "approximately 10,000,000 persons totally unemployed" in the United States—a figure somewhat higher than in March 1932, though lower than in the spring of 1933 when "from 13,000,000 to 15,000,000 men and women were unable to find remunerative employment." Federal relief and public work programs of various kinds brought the main part of the reduction in 1933, but the number of unemployed increased again during 1934. "During the five years following the autumn of 1929 the number of employable adults who directly suffered from unemployment over a long or short period probably included fully half of the total working population of the country."

Much of this cannot be altered except by a change in the economic order itself: "In view of the increasing mechanization of industry . . . . it is now generally agreed that even with the restoration of economic activity to the level of the pre-depression era—and in the absence of fundamental economic changes—several millions of those now out of work will not soon,if ever,be reabsorbed into continuous gainful occupations." Social workers have been forced to "recognize that our social problems arise not out of inherent limitations in either the wealth or the productive capacity of the nation, but rather out of our faulty distribution of wealth," and to regard government as "the only effective instrument for the social use of our national wealth." A substantial part of social workers take a much more radical stand, and are convinced "that a prerequisite of sound social planning is the abolition of private ownership and profit-making in the means of production."

Unemployment relief is described for the years 1933 and 1934, with its development in that period: the creation of the Federal Emergency Relief Administration, the creation and early liquidation of the Civil Works Administration (November 1933 to March 1934), the division of the problem into three parts (rural areas, "stranded populations," and unemployed in cities and towns), the new problem of the drought, the decline of the "self-help organizations" since early in 1934 (first disorganized by the C.W.A. program, then by the production-for-use and homestead developments in the relief program), and finally the realization by the Administration last year that emergency relief must be supplanted by a long-term program for "social security" (comprising social insurance, public works, and pensions for the aged and incapacitated). In 18 months (from January 1933) U.S.$1,340,760,934 was spent on unemployment relief, without counting wages paid under the C.W.A. Some 4,000,000 families were "on relief" in September 1934, and more than 500,000 "single resident persons"—the total figure again approximating the "peak of 4,560,000 in March 1933." The average amount of relief per family in June 1934 was $23.09, ranging from $44.02 in New York State to "from $9.00 to $20.00 a month" in the southern states.

A most interesting aspect of relief work, from an economic viewpoint, is the use of supplies provided by the Federal Surplus Relief Corporation to relieve the destitute unemployed. Here is direct transfer of "surplus" goods to the needy population. Merchants—and many social workers—naturally object to this introduction of communism into the economic system—a partial socialization of the food (and cotton) supply,—but about $100,000,000 was disposed of in this way from October 1933 to August 1934.

Other sections of this comprehensive book are also of much interest. The article on "Birth Control" makes clear its present legal status, and the nature of the revised law now being agitated for by public-spirited persons desiring to make contraceptive information legally available. There are now not less than 150 birth-control clinics operating in the United States, and several thousand co-operating physicians in localities without clinics.

The article on "Civil Liberties" sheds light on a subject on which there is usually much more argument than fact. It appears that "the efforts of labor unions to organize under Section 7a of the National Industrial Recovery Act" (now declared unconstitutional) "have met with wide resistance. Troops have been called out in

ltrikes in six states; over fifty persons have been killed on picket ines or in demonstrations . . . . Over forty state injunctions have been issued restraining strike activity . . . . In Georgia, Angelo Herndon, a Negro Communist youth, was given a sentence of 18 to 20 years, the longest sentence for political opinions since the War . . . . Several states have revived the use of sedition and criminal syndicalism laws in prosecutions." Lynchings have "shown a sharp increase."

On the other hand, "the efforts of the federal administration have been to prevent strikes or to get strikers back to work by mediation or arbitration . . . . The fear that the vastly enlarged powers of the national administration would result in interference with the right of agitation have not been justified . . . the record reveals no interference with freedom of communication through the executive or through N.R.A. codes. The Post Office has not denied mail privileges to a single paper . . . No . . . interference by the administration with freedom of the radio . . . A bill to censor motion pictures by federal agencies was defeated . . . The United States Department of Labor has liberalized its regulations, abolished the secret service section, permitted radical aliens to visit in the United States, and ordered fewer deportations on political grounds . . . The American Indian has been given a new charter of freedom in the restoration of his lands and tribal governments. . . On Christmas Day, 1933, the President restored the rights of citizenship to about 1,500 persons who lost them under the espionage act during the World War."

A most reliable compilation, on a great number of subjects of outstanding social interest.

H. H.

An Author Who Would "Europeanize" the United States

Forerunner of American Fascism, by Raymond Gram Swing. New York: Julian Messner, 1935. 168 pages. U.S. $1.75.

Not all would be satisfied with the definition of fascism in this book: "Fascism is first of all the sacrifice of democracy in the interest of economic maldistribution, and it would be fascism even without doing much violence to personal liberties, or after the persecution of minorities had ceased." In his analysis of this political movement the author asserts that the United States has already abandoned the purely democratic routine of democracy. The conditions which make possible the revolutionary change of fascism are the impoverishment of the middle class, the slowing down of business, causing unemployment on a large scale, the paralysis of democratic government and the threat of an active communist movement. The last condition is lacking in the United States. Economic dissatisfaction may be the origin of a fascist movement, but the psychological forces which are loosed give the movement part of its true character.

Although fascism is more than a Mussolini or a Hitler nevertheless, the conditions and developments of the movement can best be seen in the personality of a man. In his studies of Huey Long, Father Coughlin, Senator Bilbo, Dr. Townsend and William Randolph Hearst, the author describes the nature of the appeal which any demagogue must make, but especially the appeal which he asserts is leading the United States to fascism. Of these five men, as might be expected, Huey Long and Father Coughlin are by far the most dramatic. To Father Coughlin, Canadian born Roman Catholic priest, is given credit for discovering the radio as a source of power for an individual. It is said that he received more than 1,200,000 letters after his radio speech on the subject "Hoover prosperity means a new war." His radio speeches utilize the popular animosity against the bankers, and vague resentful yearning widely prevalent for social justice. Mr. Swing considers Father Coughlin to be "one of the most talented fomenters of hatred ever to have addressed an American crowd."

The assassination of Huey Long since the publication of this book has removed from American life a figure who controlled all three departments—executive, legislative, judicial—of a state government. Long believed that power must precede reform and that the end justified the means. Good works were offered in return for dictatorship.

The other four men considered "forerunners" have not the personal appeal of Father Coughlin or Huey Long. Senator Bilbo, formerly governor of Mississippi, seems a paler copy of Long. As a "rabble-rouser" in electioneering Senator Bilbo can point the way to success. Dr. Townsend, sixty-eight year old physician and humanitarian, would create business and end unemployment by his $200-a-month pensions to approximately eight million people, and it is alleged that more than twenty-five million Americans have signed petitions to Congress for the enactment of the Townsend plan, despite the fact that the money for the pensions is to be raised by a two per cent tax on each business operation. The significance of Dr. Townsend is the credulity he reveals in the American nation. William Randolph Hearst is described as "a projection of the middle class" whose prejudices and vulgarities he exploits. His most recent journalistic policy has been a campaign against academic freedom

For Views and Opinion

Please Read

The China Critic

The Oldest Chinese Owned and Edited English Weekly

founded in May, 1928

For it will afford you the true thoughts and opinions of China's leaders that the foreign newspapers are seldom to give.

THE LITTLE CRITIC

edited by

Dr. Lin Yutang

The world renowned writer and humorist

gives criticism on various interesting topics in a lighter vein, that will make the reader both smile and think.

SUBSCRIPTION RATES

CHINA: $7.00 a year, $4.00 6 months
FOREIGN: G$5.00 a year, G$3.00 6 months

Postage Included

THE CHINA CRITIC
749 Bubbling Well Road,
Shanghai, China.

Dear Sirs,
Please enter my subscription for ..... year against my remittance of $..... herewith.

Name .....

Address .....

The China Critic Publishing Co.
749 Bubbling Well Road
Shanghai, China

Telephone 33627

and communism. He believes that fascism has been a tonic both to Germany and to Italy, and that the United States needs such a tonic.

The author of this book has been twenty years out of the United States as foreign correspondent for large United States newspapers. Much of his time is now spent in Washington. His conclusion is that the United States is not threatened by a genuine communist movement as were Germany and Italy. Will the demagogues be able to "create" such a menace against which the middle class and nationalists can unite? On the whole one feels that the author is straining in an effort to make American political events into a European mould.

F. M. R.

SENATOR PITTMAN'S SPEECH—REACTIONS IN JAPAN AND CHINA

(*Continued from page 463*)

out that it is not too late for the Powers to enforce the Nine-Power Treaty. It hopes that something tangible will result from the Senator's statement.

The *Shun Pao* expressed the belief that Senator Key Pittman's attack on Japan is similar in tone to the declaration made by President Roosevelt on Jan. 1, in that both statements served as a warning to imperialistic nations to limit their war machinery and curb aggression. However, said paper added that America's peace policy needs a practical basis as otherwise it will be meaningless.

"Pittman Had to Make Rejoinder to Protect His Political Reputation"—Japanese View

The Tokyo *Nichi Nichi* in its issue of Feb. 12 printed the gist of an international telephone conversation had between its editor and the paper's special correspondent in Washington, Mr. Kawakami, concerning Senator Pittman's speech. The correspondent was particularly asked to state what motive lay behind the speech.

After reviewing some of Senator Pittman's previous statements, Mr. Kawakami stated that he had written in the *Washington Post* "bombarding" the 20-per cent reduction plan of the United States. Ambassador Saito at the meeting of the American-Japan society in New York had said that Japan's role was similar to that of the Monroe doctrine. "Then Mr. Pittman apparently felt that he had to make some rejoinder to protect his political reputation," was Mr. Kawakami's comment.

The Tokyo office then put this question to Mr. Kawakami: "The other day Fang Chen-wu (retired Chinese army officer) interviewed Mr. Pittman and laid a report before him on the North China and other Sino-Japanese questions during which he is said to have instigated the Senator against Japan. Don't you think Mr. Pittman's speech was influenced somewhat by this talk?"

To this Mr. Kawakami replied:—"They may have talked on various matters, but it cannot be considered that a mere word of Fang Chen-wu should have had any such effect."

Previous Discussion of Pittman's Speech

Extended comment on Senator Pittman's speech appeared in *The Review* of Feb. 22 in editorial correspondence from Nanking, entitled: "Did Senator Pittman's Declaration Head off Another Hull-Hirata Agreement."

China Branch of I. P. R. Elects New Board of Directors

New members of the Board of Directors and executive officere of the China branch of the Institute of Pacific Relations wers elected last week. In addition, new books on research work by noted authorities are being printed under the auspices of the Institute and will be off the press soon.

At a recent meeting of the Board of Directors of the Institute, Chang Kia-ngau, Minister of Railways, D. C. Wu, Minister of Industries, and Y. T. Tsur, Vice-Minister of Industries, tendered their resignations from the board. The newly constituted members of the China Board of Directors are, Dr. Hu Shih, Chairman; Messrs. Singloh Hsu, K. P. Chen; Dr. Chang Po-ling; O. S. Lieu, Dr. D. K. Lieu, Dr. Franklin L. Ho; Dr. Herman C. E. Liu, Miss Wu Yih-fang, L. K. Tao; Dr. Y. C. Mei; Professor Ta Chen; Dr. Monlin Chiang; Dr. J. Usang Ly; Liu Yu-wan, who is concurrently Executive Secretary of the Institute. The following are members of the Executive Committee:—Dr. Hu Shih, Chairman; Singloh Hsu, Vice-Chairman; O. S. Lieu, Secretary-Treasurer; Dr. Franklin L. Ho, Dr. D. K. Liu, L. K. Tao, Research Secretaries.

V. E. Motylev, Chairman of the U. S. S. R., I. P. R. and head of the Soviet Delegation to the I. P. R. 6th conference, is expected to arrive here early next month to discuss with executive officers of the China Institute of Pacific Relations on matters relating to the coming conference.

Newton Baker Pays Tribute to the Late Dr. V. K. Ting

Newton D. Baker, former U.S. Secretary of War, in a letter from Cleveland, Ohio, Jan. 20, addressed to the *New York Times*, paid a glowing tribute to Dr. V. K. Ting, the eminent Chinese geologist, upon the occasion of his recent death. Some of the points mentioned by Mr. Baker were: Two years ago Dr. Ting became executive head of the Academia Sinica, the National Research Institute of China, under the chairmanship of Dr. Tsai Yuan-pei, the post which he held at the time of his death. In the short period during which he had been in charge Dr. Ting had already effected important reforms. In recent years Dr. Ting had been one of a group in Peiping, including Dr. Hu Shih, the well-known philosopher; Dr. Wong Wen-hao, H. C. Zen and Mrs. Sophia Chen Zen, which published a highly interesting and increasingly influential journal called the *Independent Critic*, dealing with social and political affairs, and had himself contributed to it.

Shanghai Municipal Police Annual Report Records Action Against Reds

The annual (1935) report of the of the Shanghai Foreign Municipal Police contained the following paragraphs:

The anti-Japanese movement was watched carefully during the year and prevented as far as possible in the Settlement. No matter against whom directed activities of this nature must sooner to later lead to a serious breach of the peace.

The Chinese Communist Party and its various auxiliary organs suffered in 1935 some loss as a result of police action. Six important branch headquarters were discovered during the year and the apprehension in Shanghai of an important foreign agent of the Comintern undoubtedly proved a heavy blow to the Communist movement in this country. The efforts of the Municipal Police, acting in co-operation with the local Chinese authorities to check Communist activities in the Settlement resulted in the prosecution of 115 persons, including one foreigners, and the discovery of 99 addresses which were being used as operating bases. Sixty-nine of the accused were extradited to the Chinese authorities, one was handed over to the French Police, sixteen were each sentenced to various terms of imprisonment.

Operating Revenue of Shanghai Power Co. Last Year More Than $25,000,000

The following is a statement of the income and summary of earned surplus for the year 1935 of the Shanghai Power Co:

INCOME		
Operating Revenues		$25,086,376.98
Operating Expenses, Including Taxes		12,211,208.79
Net Revenues from Operation		$12,875,168.19
Other Income (Net):		
Interest and Dividends from Subsidiary Company—Western District Power Company of Shanghai, Federal Inc., U.S.A.	$ 269,749.92	
Less Miscellaneous (Net)	173,551.73	
		96,198.19
Gross Corporate Income		$12,971,366.38
Interest on First Mortgage Debentures	$4,716,316.41	
Interest on Debenture Notes	12,755.09	
Other Interest and Deductions	431,247.53	
Total	$5,160,319.03	
Less Interest Charged to Construction	9,821.91	
Net Interest and Other Deductions		5 ,150,497.12
Balance		$7,820,869.26
Property Retirement Reserve Appropriation		1,500,000.00
Balance Carried to Surplus		$6,320,869.26
SUMMARY OF EARNED SURPLUS		
Earned Surplus, January 1, 1935		$ 6,083,962.47
Add Balance from Statement of Income for the Twelve Months Ended December 31,1935 (as above)		6,320,869.26
Total		$12,404,831.73
Deductions:		
Dividends on Silver Preferred Stock	$1,846,198.09	
Dividends on U.S.$7 Second Preferred Stock	1,098,089.29	
		2,944,287.38
Earned Surplus, December 31, 1935		$ 9,460,544.35

AIR MAIL and PASSENGER SERVICE

N. Shanghai-Peiping Line S.			W. Shanghai-Hankow Line E.		
6.30 *dep.*	Shanghai	*arr.* 12.25	07.00 *dep.*	Shanghai	*arr.* 11.45
7.30 *arr.*	Nanking	*dep.* 11.25	08.20 *arr.*	Nanking	*dep.* 10.25
7.50 *dep.*	Nanking	*arr.* 11.05	08.30 *dep.*	Nanking	*arr.* 10.15
9.40 *arr.*	Tsingtao	*dep.* 9.15	10.22 *arr.*	Kiukiang	*dep.* 8.23
10.00 *dep.*	Tsingtao	*arr.* 8.55	10.40 *dep.*	Kiukiang	*arr.* 8.05
11.45 *arr.*	Tientsin	*dep.* 7.10	11.45 *arr.*	Hankow	*dep.* 7.00
12.00 *dep.*	Tientsin	*arr.* 6.55			
12.25 *arr.*	Peiping	*dep.* 6.30			

Douglas plane, N. Bound on every Tue. & Fri.—S. Bound on every Wed. & Sat. *Stinson plane, N. Bound on every Sun. —S. Bound on every Mon.

W. bound on every Tue., Wed., Fri., Sat. & Sun.—E. bound on every Mon., Wed., Thur., Sat. & Sun.

W. S'hai-Chengtu Line (Exp.) E.			W. Hankow-Chungking Line E.		
7.00 *dep.*	Shanghai	*arr.* 16.50	7.30 *dep.*	Hankow	*arr.* 15.50
8.00 *arr.*	Nanking	*dep.* 15.50	9.00 *arr.*	Shasi	*dep.* 14.20
8.10 *dep.*		*arr.* 15.40	9.15 *dep.*	Shasi	*arr.* 14.15
9.35 *arr.*	Kiukiang	*dep.* 14.15	10.00 *arr.*	Ichang	*dep.* 13.30
9.45 *dep.*		*arr.* 14.05	10.15 *dep.*	Ichang	*arr.* 13.15
10.30 *arr.*	Hankow	*dep.* 13.20	12.25 *arr.*	Wanhsien	*dep.* 11.05
10.55 *dep.*		*arr.* 12.55	12.40 *dep.*	Wanhsien	*arr.* 10.50
12.00 *arr.*	Ichang	*dep.* 11.50	14.30 *arr.*	Chungking	*dep.* 9.00
12.10 *dep.*		*arr.* 11.40			
14.05 *arr.*	Chungking	*dep.* 9.45			
14.30 *dep.*		*arr.* 9.20			
15.35 *arr.*	Chengtu	*dep.* 8.15			

W. Bound on every Mon. & Thur. —E. Bound on every Tue. & Fri.

W. bound on every Tue., Wed., Fri. & Sun.—E. bound on every Mon., Wed., Thur. & Sat.

E. Chengtu-Chungking Line W.			S. Shanghai-Canton Line N.		
12.00 *dep.*	Chengtu	*arr.* 16.30	6.30 *dep.*	Shanghai	*arr.* 15.00
14.00 *arr.*	Chungking	*dep.* 14.30	8.25 *arr.*	Wenchow	*dep.* 13.05
	Daily Service		8.45 *dep.*	Wenchow	*arr.* 12.45
			10.05 *arr.*	Foochow	*dep.* 11.25
			10.25 *dep.*	Foochow	*arr.* 11.05
			11.35 *arr.*	Amoy	*dep.* 9.55
			11.55 *dep.*	Amoy	*arr.* 9.35
			12.55 *arr.*	Swatow	*dep.* 8.35
			13.15 *dep.*	Swatow	*arr.* 8.15
			15.00 *arr.*	Canton	*dep.* 6.30

S. Chungking-Kunming Line N.		
12.45 *dep.*	Chungking	*arr.* 12.15
14.30 *arr.*	Kweiyang	*dep.* 10.30
15.00 *dep.*		*arr.* 10.00
17.00 *arr.*	Kunming	*dep.* 8.00

S. Bound on every Tue. and Thur.—N. Bound on every Thur. and Sun.

S. & N. Bound on Tue. & Sat.

CHINA NATIONAL AVIATION CORPORATION

EURASIA AVIATION CORPORATION

FALL TIME TABLE 1936

Shanghai-Tchukuchak Line

West Bound			East Bound		
6.30	Dep.	Shanghai	Arr.	18.15	
7.45	Arr.	Nanking	Dep.	17.00	
8.00	Dep.	Nanking	Arr.	16.50	
10.40	Arr.	Chengchow	Dep.	14.10	
11.10	Dep.	Chengchow	Arr.	13.40	
13.20	Arr.	Sian	Dep.	11.30	
13.30	Dep.	Sian	Arr.	11.00	
16.30	Arr.	Lanchow	Dep.	8.00	
	Dep.	Lanchow	Arr.		
	Arr.	Suchow	Dep.		
	Dep.	Suchow	Arr.		
	Arr.	Hami	Dep.		
	Dep.	Hami	Arr.		
	Arr.	Urumtchi	Dep.		
	Dep.	Urumtchi	Arr.		
	Arr.	Tchukuchak	Dep.		

Tuesday & Friday — Wednesday & Saturday

Peiping-Canton Line

South Bound			North Bound		
7.00	Dep.	Peiping	Arr.	11.30	
10.30	Arr.	Chengchow	Dep.	8.00	
	Dep.	Chengchow	Arr.		
	Arr.	Hankow	Dep.		
	Dep.	Hankow	Arr.		
	Arr.	Changsha	Dep.		
	Dep.	Changsha	Arr.		
	Arr.	Canton	Dep.		

Tuesday & Friday — Thursday & Sunday

Lanchow-Paotow Line

North Bound			South Bound		
8.00	Dep.	Lanchow	Arr.	16.20	
10.00	Dep.	Ninshia	Dep.	14.20	
10.20	Dep.	Ninshia	Arr.	14.00	
12.20	Arr.	Paotow	Dep.	12.00	

Wed. & Sat. — Tues. & Fri.

Sian-Chengtu Line

South Bound			North Bound		
14.00	Dep.	Sian	Arr.	11.00	
15.00	Arr.	Hanchung	Dep.	10.00	
15.10	Dep.	Hanchung	Arr.	9.50	
17.00	Arr.	Chengtu	Dep.	8.00	

Tues. & Fri. — Wed. & Sat.

NOTES: 1. This time table is effective on and after 25th September and is subject to change without notice.

2. Special figihts to other places can be arranged by special agreement.

Latest New York Stock Exchange Quotations

February 26, 1936

Stock Exchange— Business Done:-

Total Volume: 2,390,000 Shares

1935-36 High	Low	Div. $ per sh.	STOCKS	Last Sale Feb. 24	Feb. 25
13¼	4¼	0.10	Adams Express	13⅝	13
149⅝	110	4.00	American Can	116¾	117½
39½	20¼	0.40	Amer. Cyanamid "B"	37⅝	37
9¼	2	—	American & For. Power	7⅜	7⅝
42	14	—	American & Foreign Pwr. $7 pfd.	38¼	37¾
27½	10½	—	American Radiator	24⅜	23⅞
177¼	98⅝	9.00	American Tel. & Tel.	174⅝	170¼
107	74⅝	5.00	American Tobacco "B"	97¼	97
23¾	7½	—	American Waterworks	22⅞	22
35⅞	8	—	Anaconda Copper	34⅝	33⅜
77½	35⅜	2.00	Atchison, T. & S. Fe	76½	74⅞
48¾	15	—	Auburn	47	47
24	7½	—	Baltimore & Ohio	23½	21⅜
59⅜	21⅝	—	Bethlehem Steel	57⅞	56½
26¼	6¼	—	Boeing Airplane Co.,	24½	23⅜
15⅞	8⅝	—	Canadian Pacific Railway	15¼	14⅝
116½	45⅝	—	Case, J. I.	117¼	113
47⅞	20¼	1.40	Chase National Bank	37⅝	37½
74	36	3.00	Chesapeake Corp.	70¼	68
60⅝	37½	2.80	Chesapeake & Ohio	59⅝	58½
98½	31	3.00	Chrysler	97	94⅜
18	3⅝	0.20	Columbia Gas & Electric	16½	16
24⅜	16½	0.60	Coml. Solvents	23⅝	22⅝
4⅝	0⅝	—	Commonwealth & Southern (ord.)	3⅝	3½
38⅞	15⅞	1.00	Consolidated Gas of N. Y.	34⅛	33⅛
15	6½	0.25	Consolidated Oil	13⅝	13⅝
38½	15⅛	87½	Continental Oil	36⅞	36¾
78⅝	60	3.00	Corn Products	77⅝	75
73¾	17½	0.75	Douglas Aircraft	69¾	68¼
149½	86⅝	3.60	Du Pont de Nemours	147½	141⅝
20½	3¼	—	Electric Bond & Share	17¼	16½
41½	20¼	0.80	General Electric	40½	39⅜
37½	30	1.80	General Foods	35⅝	34½
61¼	26⅝	2.00	General Motors	59⅛	58⅝
50	15⅝	1.00	General Railway Signal	47	45¼
22	14⅜	1.20	Gold Dust	21½	20½
30⅝	15⅜	—	Goodyear Tire & Rubber	28¼	27½
75½	44	1.00	Humble Oil	70½	69⅝
53½	22¼	1.00	International Nickel	52	51
19	5⅝	—	International Tel. & Tel.	18	17¾
38⅝	13¾	0.80	Kennecott	38	26¼
55⅛	31¼	2.00	Loew's Inc.	48¼	49
26⅛	18¼	1.20	Lorillard	22⅝	22⅝
96½	58	1.00	Monsanto Chemical	95⅛	95
40⅞	21⅝	—	Montgomery Ward	38⅛	39
41⅞	18½	1.00	National City Bank	34⅞	34¾
23⅛	12⅝	1.20	National Dairy Prods.	23⅜	24
34½	23¼	2.00	National Distillers	31⅜	30¼
13	4⅝	0.60	National Power & Lt.	10½	10¼
40⅜	12¾	0.10	New York Central	38⅞	37¾
29⅝	9	1.00	North American	26⅞	26
36½	13¼	1.50	Pacific Gas & Electric	33¾	34
56¾	19	2.40	Pacific Lighting	53¾	54
12¼	3½	—	Packard Motors	11¼	11
33⅝	17¼	1.00	Pennsylvania Railroad	38¼	36½
45⅝	13¾	1.00	Phillips Petroleum	43½	43
48¼	20⅝	2.40	Public Serv. of N.J.	44¾	44¼
14¼	4	—	Radio Corporation	12¼	12
58⅝	43¼	3.00	Reynolds Tobacco "B"	56⅝	55⅞
56¼	22	—	Schenley	48¾	48¼
69⅞	31	2.00	Sears Roebuck	62⅞	63
17	10⅝	0.30	Socony-Vacuum	16	15⅝
28¼	10⅝	1.50	Southern California Edison	26⅜	26
38½	12⅝	—	Southern Pacific	36	35
19⅛	12½	0.80	Standard Brands	18	17¼
9¼	1½	—	Standard Gas & Electric	7½	7¼
61⅛	35⅜	1.00	Standard Oil Co. of N. J.	60⅛	59
68	58⅜	3.80	Sterling Products	66⅜	66⅜
38⅜	28⅜	2.00	Texas Gulf Sulphur	37½	36¼
14⅛	4⅞	0.30	Transamerica	14⅝	14
86⅛	44	2.00	Union Carbide & Carbon	83½	81¼
133⅝	82¼	6.00	Union Pacific	132⅞	131½
31⅛	9⅝	—	United Aircraft (New)	29⅜	28½
17¼	4½	—	United Airline Trans.	15⅞	15⅛
8⅛	1⅛	—	United Corporation	7	6⅞
19⅛	9¼	1.00	United Gas Improvement	16⅞	16⅞
50⅝	35¼	2.00	U.S. Indus. Alcohol	42½	41
21¼	9⅛	—	U. S. Rubber	19⅛	19
65	27¼	—	U. S. Steel	62⅝	61⅝
26½	11¼	—	Vanadium	25	23⅞
14¼	2¼	—	Warner Bros. Pictures	13⅝	13
121⅝	32⅝	1.00	Westinghouse Electric	117¼	115¼

Call Money: 0¾ %

SWAN, CULBERTSON & FRITZ

SWAN, CULBERTSON & FRITZ

Investment Bankers

and Brokers in Securities and Commodities

Daily New York and London Stock Exchange Service

Sassoon House **Telephone 11200**

BANK OF CHINA

THE SPECIALLY CHARTERED INTERNATIONAL EXCHANGE BANK OF CHINA

Capital Paid-Up - - - - $40,000,000

Total Assets in excess of - $1,000,000,000

HEAD OFFICE: 50 HANKOW ROAD
SHANGHAI

OVER 200 BRANCHES IN CHINA

CORRESPONDENTS THROUGHOUT THE WORLD

Every Description of Domestic and Foreign Banking Business Transacted

Chairman: T. V. Soong *Gen. Mgr.* Sung Han-chang

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China